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TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 994—PECANS GROWN IN GEORGIA, ALABAMA, FLORIDA, MISSISSIPPI, AND SOUTH CAROLINA

GRADE AND SIZE REGULATION

Pursuant to Marketing Agreement No. 111 and Order No. 94, regulating the handling of pecans grown in Georgia, Alabama, Florida, Mississippi, and South Carolina (7 CFR Part 994) effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of information submitted by the Pecan Administrative Committee established under the order, and other available information, it is hereby found that to establish the grade and size regulation hereinafter provided will tend to effectuate the declared policy of the act.

The Department finds that it is unnecessary and contrary to the public interest to give preliminary notice, engage in public rule making procedure, or postpone the effective date of this order until thirty (30) days after publication in the FEDERAL REGISTER, for the reasons that (1) the handling of 1951 crop pecans is imminent within the production area, and it is desirable that the grade and size regulation set forth herein become effective prior to the handling of such pecans; (2) the grade and size regulation prescribed herein is based on the revised U. S. Standards for Pecans in the Shell issued by the Department on June 28, 1951, and effective October 1, 1951, and instructions have been sent to inspectors for making commercial inspections of pecans during the 1951 crop season on the basis of the revised standards; (3) the adoption of the grade and size regulation provided herein will not result in any substantial changes in the minimum grade and size requirements in effect during the past season; (4) the establishment of the grade and size regulation for the 1951 crop of pecans based on the U. S. standards which became effective October 1, 1951 rather than on the standards effective prior to that date has been discussed and considered by the pecan industry and is favored by the Pecan Administrative Committee and the Handlers Advisory Council; (5) no preparation for compliance with the grade and size regulation herein is necessary which cannot be made within the prescribed time; and (6) a reasonable time is permitted, under the circumstances, for preparation for such effective time. Therefore, good cause exists for not delaying the effective date of this order later than three days after the date of its publication in the FEDERAL REGISTER.

§ 994.102 *Grade and size regulation.* (a) The grade and size regulation, § 994.101, issued October 4, 1950 (15 F. R. 6783) shall be superseded at the effective time of the grade and size regulation set forth in this section.

(b) Beginning at the effective time of this section, no person shall handle, except as provided in § 994.4 (e) of the marketing agreement and order, any unshelled pecans:

(1) Unless such pecans have a count per pound of less than 91 nuts, and the 10 smallest nuts in a representative 100 nut sample weigh at least 1.5 ounces; and

(2) In addition, meet requirements of the U. S. Commercial grade as established in the U. S. Standards for Pecans in the Shell (effective October 1, 1951), to read, as modified for the purposes of this grade and size regulation with respect to the minimum percentage of kernels required to meet the requirements of the U. S. No. 1 grade and the maximum tolerance for kernels which may be very seriously damaged, as set forth in subparagraph (3) of this paragraph.

(3) The pecans shall consist of pecans in the shell which shells are free from serious damage caused by stains or adhering hulls, split, broken or punctured shells, loose hulls or other foreign material or other means. At least 75 percent, by count, of the pecans in any lot shall have kernels which meet the requirements of the U. S. No. 1 grade; and the remainder shall have kernels which are well cured, free from rancidity, mold,

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decay, insect injury, and from serious damage caused by shriveling, leanness, discoloration, or other means. In order to allow for variations incident to proper grading and handling, the following tolerances shall be permitted:

(i) For external defects (defects of the shell) not more than 10 percent, by count, for pecans which fail to meet the requirements of the grade; and

(ii) For internal defects (defects of the kernel) not more than 15 percent, by count, for pecans which fail to meet the requirements of the grade: *Provided*, That not more than three-fifths of this amount, or 9 percent, shall be allowed for kernels which are very seriously damaged. No part of any tolerance shall be allowed to reduce, for the lot, the 75 percent of kernels required to meet the U. S. No. 1 grade.

(c) Terms used in this section shall have the same meaning as when used in said marketing agreement and order, or, when applicable, as when used in the

U. S. Standards for Pecans in the Shell (16 F. R. 5669).

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Issued at Washington, D. C., this 19th day of October 1951 to become effective at 12:01 a. m., e. s. t., on the third day after publication in the FEDERAL REGISTER.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 51-12730; Filed, Oct. 23, 1951; 8:48 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue, Department of the Treasury

Subchapter A—Income and Excess Profits Taxes

[T. D. 5860; Regs. 111]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

MISCELLANEOUS AMENDMENTS

On July 11, 1951, notice of proposed rule making regarding the provisions of section 203, relating to treatment of bond premium in case of dealers in tax-exempt securities, and section 217, relating to amortization of premium on convertible bonds, of the Revenue Act of 1950, 81st Congress, 2d Session, approved September 23, 1950, was published in the FEDERAL REGISTER (16 F. R. 6720). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendments set forth below are hereby adopted. Such amendments are necessary to conform Regulations 111 (26 CFR, Part 29) to the provisions of sections 203 and 217 of the Revenue Act of 1950.

PARAGRAPH 1. There is inserted immediately after § 29.22 (n)-1, as added by Treasury Decision 5425, approved December 29, 1944, the following:

SEC. 203. TREATMENT OF BOND PREMIUM IN CASE OF DEALERS IN TAX-EXEMPT SECURITIES (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

(a) *Amendment of section 22.* Section 22 is hereby amended by adding at the end thereof the following new subsection:

(o) *Dealers in tax-exempt securities*—(1) *Adjustment for bond premium.* In computing the gross income of a taxpayer who holds during the taxable year a short-term municipal bond (as defined in paragraph (2) (A)) primarily for sale to customers in the ordinary course of his trade or business—

(A) If the gross income of the taxpayer from such trade or business is computed by the use of inventories and his inventories are valued on any basis other than cost, the cost of securities sold (as defined in paragraph (2) (B)) during such year shall be reduced by an amount equal to the amortizable bond premium that would be disallowed as a deduction for such year pursuant to section 125 (a) (2) if the definition in section 125 (d) of the term "bond" did not exclude such short-term municipal bond; or

(B) If the gross income of the taxpayer from such trade or business is computed without the use of inventories, or by use of inventories valued at cost, and the short-term municipal bond is sold or otherwise disposed of during such year, the adjusted basis (computed without regard to this subparagraph) of the short-term municipal bond shall be reduced by the amount of the adjustment that would be required under section 113 (b) (1) (H) if the definition in section 125 (d) of the term "bond" did not exclude such short-term municipal bond.

(2) *Definitions.* For the purposes of paragraph (1)—

(A) The term "short-term municipal bond" means any obligation issued by a government or political subdivision thereof if the interest on such obligation is excludible from gross income; but such term does not include such an obligation if (i) it is sold or otherwise disposed of by the taxpayer within thirty days after the date of its acquisition by him, or (ii) its earliest maturity or call date is a date more than five years from the date on which it was acquired by the taxpayer.

(B) The term "cost of securities sold" means the amount ascertained by subtracting the inventory value of the closing inventory of a taxable year from the sum of (i) the inventory value of the opening inventory for such year and (ii) the cost of securities and other property purchased during such year which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year.

* * * * *

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after June 30, 1950, but in the case of a taxable year beginning before and ending after such date the amendments shall apply only with respect to obligations acquired after such date.

§ 29.22 (o)-1 *Treatment of bond premiums in case of dealers in tax-exempt securities*—(a) *In general.* Section 22 (o) requires certain adjustments to be made by dealers in securities with respect to premiums paid on short-term municipal bonds which are held for sale to customers in the ordinary course of the trade or business. The adjustments depend upon the method of accounting used by the taxpayer in computing the gross income from the trade or business. See paragraphs (b) and (c) of this section. Adjustment under section 22 (o) is required only for taxable years ending after June 30, 1950, and, in the case of a taxable year beginning before June 30, 1950, and ending thereafter is required only with respect to obligations acquired after June 30, 1950.

The term "short-term municipal bond" under section 22 (o) means any obligation issued by a government or political subdivision thereof if the interest on the obligation is excludible from gross income under section 22 (b) (4). Such term, however, does not include an obligation the maturity or earliest call date of which is a date more than five years from the date of acquisition by the taxpayer, or an obligation sold or otherwise disposed of by the taxpayer within 30 days after the date of acquisition by him. A bond which is otherwise within the definition of "short-term municipal bond" is subject to the provisions of section 22 (o) if held by the taxpayer for a period of more than 30 days, whether or not such period is entirely within one taxable year.

(b) *Inventories not valued at cost.* In the case of a dealer in securities who computes gross income from his trade or business by the use of inventories and values such inventories on any basis other than cost, the adjustment required by section 22 (o) is the reduction of "cost of securities sold" by the amount equal to the amortizable bond premium which would be disallowed as a deduction under section 125 (a) (2) if the dealer were an ordinary investor holding such bond. Such amortizable bond premium is computed under section 125 (b) by reference to the cost or other original basis of the bond on the date of acquisition (determined without regard to section 113 (a) (1), relating to inventory value on a subsequent date). If the date of acquisition precedes July 1, 1950, then, in computing under section 125 (b) the amount of such amortizable bond premium, there shall be made adjustments to bond premium proper to reflect unamortized bond premium on such bond for the period including the holding period (as determined under section 117 (h)) prior to the date as of which section 22 (o) first becomes applicable to the bond in the hands of the taxpayer. See § 29.125-2.

The preceding paragraph may be illustrated by the following example:

X, a dealer in securities who values his inventories on a basis other than cost, makes his income tax returns on the calendar year basis. On January 1, 1949, he buys, for $1,060 each, three short-term municipal bonds (A, B, and C) having a face obligation of $1,000, and maturing on January 1, 1954. On July 1, 1950, he buys, for $1,042 each, three more bonds (X, Y, and Z) of the same issue. Bonds A and X are sold on December 31, 1950. Bonds B and Y are sold on December 31, 1951. Bonds C and Z are sold on December 31, 1952. The adjustment for each of the years 1950, 1951, and 1952 is as follows:

Bond	Date acquired	Date sold	Adjustment for—		
			1950	1951	1952
A	Jan. 1, 1949	Dec. 31, 1950	None	-----	-----
B	do	Dec. 31, 1951	None	$12	-----
C	do	Dec. 31, 1952	None	12	$12
X	July 1, 1950	Dec. 31, 1950	$6	-----	-----
Y	do	Dec. 31, 1951	6	12	-----
Z	do	Dec. 31, 1952	6	12	12
	Total		18	48	24

For the purpose of determining such adjustment, the amortizable bond premium is computed under section 125 (b) as follows:

	Bond A, B, or C	Bond X, Y, or Z
Bond premium	$60	$42
Adjustment for period prior to first date of application of section 22 (o)—		
Applicable Jan. 1, 1951	24	-----
Applicable July 1, 1950	-----	0
Amortizable bond premium to maturity	36	42
Amortizable bond premium per month	1	1

The term "cost of securities sold" means the amount ascertained by subtracting the inventory value of the closing inventory of a taxable year from the sum of the inventory value of the opening inventory for such year and the cost of securities and other property purchased during such year which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year.

(c) *Inventories not used or inventories valued at cost.* In the case of a dealer in securities who computes gross income from his trade or business without the use of inventories or by use of inventories valued at cost, the adjustment required by section 22 (o) is a reduction of the adjusted basis of each short-term municipal bond sold or otherwise disposed of during the taxable year. The amount of such reduction is the amount by which the adjusted basis of such bond would be required to be reduced under section 113 (b) (1) (H) were such bond subject to the amortizable bond premium provisions of section 125, that is, the amount of the amortizable bond premium which would be disallowed as a deduction under section 125 (a) (2) if the taxpayer were an ordinary investor.

If the bond was acquired before July 1, 1950, the amount of the reduction shall not include the amount of such amortizable bond premium which would be disallowed as a deduction under section 125 (a) (2), if the taxpayer were an ordinary investor, for any taxable year beginning before July 1, 1950. In the case of such bond, the amortizable bond premium which would be disallowed as a deduction under section 125 (a) (2) is determined after making adjustments to bond premium proper to reflect unamortized bond premium on such bond for the period including the holding period (as determined under section 117 (h)) prior to the date as of which section 22 (o) first becomes applicable to the bond in the hands of the taxpayer. See § 29.125–2.

The preceding paragraph may be illustrated by the following example:

Y, a dealer in securities who values his inventories on the basis of cost, makes his income tax returns on the calendar year basis. On January 1, 1949, he buys, for $1,060 each, three short-term municipal bonds (D, E, and F) having a face obligation of $1,000, and maturing on January 1, 1954. On July 1, 1950, he buys, for $1,042 each, three more bonds (U, V, and W) of the same issue. Bonds D and U are sold on December 31, 1950. Bonds E and V are sold on December 31, 1951. Bonds F and W are sold on December 31, 1952.

Bond	Date acquired	Date sold	Adjustment for—		
			1950	1951	1952
D	Jan. 1, 1949	Dec. 31, 1950	None	-----	-----
E	do	Dec. 31, 1951	None	$12	-----
F	do	Dec. 31, 1952	None	None	$24
U	July 1, 1950	Dec. 31, 1950	$6	-----	-----
V	do	Dec. 31, 1951	None	18	-----
W	do	Dec. 31, 1952	None	None	30

For the purpose of determining such adjustments, the amortizable bond premium is computed under section 125 (b) as follows:

	Bond D, E, or F	Bond U, V, or W
Bond premium	$60	$42
Adjustment for period prior to first date of application of section 22 (o)—		
Applicable Jan. 1, 1951	24	-----
Applicable July 1, 1950	-----	0
Amortizable bond premium to maturity	36	42
Amortizable bond premium per month	1	1

PAR. 2. There is inserted immediately preceding § 29.113 (b) (1)–1 the following:

SEC. 203. TREATMENT OF BOND PREMIUM IN CASE OF DEALERS IN TAX-EXEMPT SECURITIES (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(b) *Technical amendments.* (1) Section 113 (b) (1) is hereby amended by adding at the end thereof the following:

(I) In the case of any short-term municipal bond (as defined in section 22 (o)), to the extent provided in section 22 (o) (1) (B).

* * * * *

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after June 30, 1950, but in the case of a taxable year beginning before and ending after such date the amendments shall apply only with respect to obligations acquired after such date.

PAR. 3. Section 29.113 (b) (1)–1, as amended by Treasury Decision 5402, approved September 5, 1944, is further amended by adding at the end thereof the following: "For adjustment to basis of short-term municipal bonds as defined in section 22 (o) (2) (A), see § 29.22 (o)–1."

PAR. 4. There is inserted immediately preceding § 29.125–1 the following:

SEC. 203. TREATMENT OF BOND PREMIUM IN CASE OF DEALERS IN TAX-EXEMPT SECURITIES (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(b) *Technical amendments.*

* * * * *

(2) Section 125 is hereby amended by adding at the end thereof the folowing new subsection:

(e) *Dealers in tax-exempt securities.* For special rules applicable, in the case of dealers in securities, with respect to premium attributable to certain wholly tax-exempt securities, see section 22 (o).

(c) *Effective date.* The amendments made by this section shall be applicable to taxable years ending after June 30, 1950, but in the case of a taxable year beginning before and ending after such date the amendments shall apply only with respect to obligations acquired after such date.

SEC. 217. AMORTIZATION OF PREMIUM ON CONVERTIBLE BOND (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

(a) *Premium attributable to conversion features of bond.* Section 125 (b) (1) (relating to determination of amount of bond premium) is hereby amended by adding at the end thereof the following: "In no case shall the amount of bond premium on a convertible bond include any amount attributable to the conversion features of the bond."

(b) *Effective date.* The amendment made by subsection (a) shall be applicable with respect to taxable years beginning after June 15, 1950, and shall also apply, in the case of a taxable year beginning on or before such date, with respect to bonds acquired after such date.

PAR. 5. Section 29.125–1, as amended by Treasury Decision 5425, is further amended by adding at the end of paragraph (a) thereof the following sentence: "See, however, § 29.22 (o)–1."

PAR. 6. Section 29.125–5 is amended by striking therefrom the last sentence and by inserting at the end of such section the following new paragraphs:

A convertible bond is within the scope of section 125 if the option to convert on a date certain specified in the bond rests with the holder thereof. However, for the purpose of determining the amount of amortizable bond premium on a convertible bond for a taxable year beginning after June 15, 1950, or for any taxable year in the case of a convertible bond acquired after June 15, 1950, the amount of bond premium shall not include any amount attributable to the conversion features of the bond. For the purpose of this section, the term "convertible bond" includes a bond issued with detachable stock-purchase warrants.

The value of the conversion features of a particular bond shall be determined by ascertaining the assumed price at which such bond would be purchased on the open market if without conversion features, and by subtracting such assumed price from the cost of the bond. The determination of the assumed price of the bond without the conversion features shall be made by ascertaining the yield on which bonds of similar character, not having conversion features, are sold on the open market and adjusting the price of the bond in question to this yield. This adjustment may be made by the use of standard bond tables. In selecting quotations for comparative purposes, bonds of the same classification and grade shall be used. The application of the principles set forth in this paragraph may be illustrated as follows:

Example. T purchased for $115 a $100 bond, maturing in five years, on which interest is payable semiannually at the rate of 3.5 percent a year. This bond is convertible into common stock at the option of the holder. It is found that bonds of the same character, not having conversion features, were sold on the open market on or about the time of T's purchase on a basis to yield 2.80 percent. By recourse to a standard bond table, it is found that the cost of a 3½ percent 5-year $100 bond to yield 2.80 percent would have been $103.25. Since the taxpayer paid $115 for the convertible bond, the difference between $115 and $103.25, or $11.75, represents the value of the conversion features of the bond at the time of the purchase. The balance of $3.25 represents the bond premium subject to amortization under section 125.

If a convertible bond acquired on or before June 15, 1950, is held during a taxable year beginning after such date, the amortizable bond premium for such taxable year shall be computed as if the provisions for the determination of the bond premium without the inclusion of any amount attributable to the conversion features of the bond were applicable for each year for which the bond was held prior to such taxable year. Thus, if in the example in the preceding paragraph, T had acquired the bond on January 1, 1949, and if T makes his income tax returns on the basis of the calendar year, the amortizable bond premium for 1951 would be $0.65, determined as follows:

Bond premium not attributable to conversion feature	$3.25
Amortizable bond premium for 1949 and 1950, determined by reference to bond premium not attributable to conversion feature	1.30
Portion of bond premium amortizable over remaining life of bond	1.95
Amortizable bond premium for each of the remaining 3 years (one-third of $1.95)	.65

(53 Stat. 32, 467; 26 U. S. C. 62, 3791. Interpret or apply Pub. Law 814, 81st Cong.)

[SEAL] JOHN B. DUNLAP,
Commissioner of Internal Revenue.

Approved: October 18, 1951.

E. H. FOLEY,
Acting Secretary of the Treasury.

[F. R. Doc. 51-12744; Filed, Oct. 23, 1951; 8:45 a. m.]

[T. D. 5861; Regs. 111]

PART 29—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1941

PAYMENT OF INCOME TAX BY INSTALLMENT PAYMENTS AND OF TAX WITHHELD AT SOURCE FROM NONRESIDENT ALIENS; RETURNS OF ESTATES, TRUSTS, AND CORPORATIONS

On June 6, 1951, notice of proposed rule making regarding amendments to conform Regulations 111 (26 CFR Part 29) to certain sections of the Revenue Act of 1950 (Pub. Law 814, 81st Congress, 2d Session), approved September 23, 1950, and the Excess Profits Tax Act of 1950 (Pub. Law 909, 81st Cong., 2d Sess.), approved January 3, 1951, was published in the FEDERAL REGISTER (16 F. R. 5353). No objection to the rules proposed having been received, the amendments set forth below are hereby adopted.

PARAGRAPH 1. There is inserted immediately preceding § 29.52–1 the following:

SEC. 305. FILING OF RETURNS FOR TAXABLE YEARS ENDING AFTER JUNE 30, 1950, AND BEFORE DECEMBER 31, 1950 (EXCESS PROFITS TAX ACT OF 1950, APPROVED JANUARY 3, 1951).

In the case of a corporation subject to the tax imposed by subchapter D of chapter 1 of the Internal Revenue Code for a taxable year ending after June 30, 1950, but prior to December 31, 1950, such corporation shall after the date of the enactment of this act and before March 15, 1951, make a return for such taxable year with respect to the tax imposed by chapter 1 of the Internal Revenue Code for such taxable year. The return required by this section for such taxable year shall constitute the return for such taxable year for all purposes of the Internal Revenue Code; and no return for such taxable year, with respect to any tax imposed by chapter 1 of such code, filed on or before the date of the enactment of this act shall be considered for any of such purposes as a return for such year. The taxes imposed by chapter 1 of such code (determined with the amendments made by this act) for such taxable year shall be paid on March 15, 1951, in lieu of the time prescribed in section 56 (a) of such code. All payments with respect to any tax for such taxable year imposed by chapter 1 of such code under the law in effect prior to the enactment of this act, to the extent that such payments have not been credited or refunded, shall be deemed payments made at the time of the filing of the return required by this section on account of the tax for such taxable year under chapter 1 determined with the amendments made by this act.

PAR. 2. There is inserted immediately after § 29.52–2 the following:

§ 29.52–3 *Certain corporation returns for taxable years ending after June 30, 1950, and before December 31, 1950.* The return of a corporation (other than a corporation exempt from the excess profits tax under section 454) for a taxable year ending after June 30, 1950, and before December 31, 1950, shall be filed after January 3, 1951 (the date of enactment of the Excess Profits Tax Act of 1950), and on or before March 15, 1951. Such return shall constitute the return for such taxable year, and no return for such taxable year filed on or before January 3, 1951, shall be considered as a return for such year. The taxes for such taxable year shall be paid on or before March 15, 1951. All payments of tax (including interest, penalties, and additions to the tax) for such taxable year made on or before January 3, 1951, shall be deemed to be payments of tax made at the time of the filing of the return required by this paragraph to be filed on or before March 15, 1951, except to the extent any such payments are credited or refunded prior to the time such return is filed. The provisions of § 29.56–1 (a) shall apply with respect to the payment of such tax by installment payments, and for such purpose, the date prescribed for the payment of the tax as a single payment is March 15, 1951.

PAR. 3. There is inserted immediately preceding § 29.53–1 the following:

SEC. 205. PAYMENT OF INCOME TAX BY INSTALLMENT PAYMENTS, AND RETURNS OF ESTATES AND TRUSTS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

* * * * *

(b) *Filing of returns and payment of tax by fiduciaries of estates and trusts.* (1) Section 53 (a) (1) (relating to time for filing returns) is hereby amended to read as follows:

(1) *General rule.* Returns made on the basis of the calendar year shall be made on or before the fifteenth day of March following the close of the calendar year, except that in the case of the return of the fiduciary of an estate or trust, the return shall be made on or before the fifteenth day of April following the close of the calendar year. Returns made on the basis of a fiscal year shall be made on or before the fifteenth day of the third month following the close of the fiscal year, except that in the case of the return of the fiduciary of an estate or trust, the return shall be made on or before the fifteenth day of the fourth month following the close of the fiscal year.

* * * * *

(3) The amendments made by this subsection shall be applicable only with respect to taxable years ending after the date of the enactment of this act.

PAR. 4. Section 29.53–1, as amended by Treasury Decision 5816, approved December 5, 1950, is further amended as follows:

(A) By inserting immediately after paragraph (g) thereof the following:

(h) In the case of a return of a fiduciary of an estate or trust for a taxable year ending after September 23, 1950, on or before the 15th day of the fourth month following the close of such year.

(B) By inserting at the end thereof the following paragraph:

For provisions relating to the time for filing certain corporation returns for taxable years ending after June 30, 1950, and before December 31, 1950, see § 29.52–3.

PAR. 5. Paragraph (b) of § 29.53–3 is amended by inserting after "December 31, 1941," the following: "and ending before December 31, 1951,".

PAR. 6. There is inserted immediately preceding § 29.56–1 the following:

SEC. 205. PAYMENT OF INCOME TAX BY INSTALLMENT PAYMENTS, AND RETURNS OF ESTATES AND TRUSTS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950).

(a) *Payment of income tax by installment payments.* Effective with respect to taxable years ending on or after December 31, 1950, section 56 (b) (relating to installment payments of income tax) is hereby amended to read as follows:

(b) *Installment payments*—(1) *Estates of decedents.* In the case of the estate of a decedent, the fiduciary may elect to pay the tax in four equal installments.

(2) *Corporations.* In the case of a corporation—

(A) *Taxable years ending before December 31, 1954.* The taxpayer may elect with respect to any taxable year ending before December 31, 1954, to pay the tax in four installments, and in such case the amount of the tax paid by each installment shall be determined as follows:

If the taxable year ends—		Each of the first 2 installments shall be the following percentage of the tax	And each of the last 2 installments shall be the following percentage of the tax
On or after—	And before—		
Dec. 31, 1950	Dec. 31, 1951	30	20
Dec. 31, 1951	Dec. 31, 1952	35	15
Dec. 31, 1952	Dec. 31, 1953	40	10
Dec. 31, 1953	Dec. 31, 1954	45	5

(B) *Taxable years ending on or after December 31, 1954.* The taxpayer may elect with respect to any taxable year ending on or after December 31, 1954, to pay the tax in two equal installments.

(3) *Dates for installment payments*—(A) *Four installments.* In any case in which the tax may be paid in four installments, the first installment shall be paid on the date prescribed for the payment of the tax by the taxpayer, the second installment shall be paid on the 15th day of the third month, the third installment on the 15th day of the sixth month, and the fourth installment on the 15th day of the ninth month, after such date.

(B) *Two installments.* In any case in which the tax may be paid in two installments, the first installment shall be paid on the date prescribed for the payment of the tax by the taxpayer, and the second installment shall be paid on the 15th day of the third month after such date.

(4) *Requirement for payment.* If any installment is not paid on or before the date fixed for its payment, the whole of the tax unpaid shall be paid upon notice and demand from the collector.

(b) *Filing of returns and payment of tax by fiduciaries of estates and trusts.*

* * * * *

(2) Section 56 (a) (relating to time for payment of tax) is hereby amended by inserting before the period at the end thereof the following: ", except that in the case of the tax imposed upon an estate or trust the tax shall be paid on the fifteenth day of April following the close of the calendar year, or, if the return should be made on the basis of a fiscal year, then on the fifteenth day of the fourth month following the close of the fiscal year".

(3) The amendments made by this subsection shall be applicable only with respect to taxable years ending after the date of the enactment of this act.

PAR. 7. Section 29.56–1, as amended by Treasury Decision 5816, is further amended as follows:

§ 29.56–1 *Date on which tax shall be paid*—(a) *Taxable years ending before December 31, 1950.* (1) The provisions of this paragraph shall apply only with respect to taxable years ending before December 31, 1950. Except in the case of an individual taxpayer permitted, for taxable years beginning after December 31, 1943, to file his return without showing the tax thereon, the tax unless it is required to be withheld at the source (see section 143, 144, 466, and 1622) or unless it is to be paid by a nonresident alien individual (see section 218) or a foreign corporation not having any office or place of business in the United States (see section 236), is to be paid on or before the 15th day of March following the close of the calendar year, or, if the return is made on the basis of a fiscal year, on or before the 15th day of the third month following the close of such fiscal year. In the case of a return (other than a return by a nonresident alien individual who does not have wages subject to withholding under section 1622, or nonresident foreign corporation) for a fractional part of a year, the tax is to be paid on or before the last day prescribed for the filing of the return (see § 29.53–1). But see § 29.53–3. Except in the case of an individual (other than an estate or trust and other than a nonresident alien individual who does not have wages subject to withholding under section 1622), the tax may, at the option of the taxpayer, be paid in four equal installments instead of in a single payment, in which case the first installment is to be paid on or before the date prescribed for the payment of the tax as a single payment, the second installment on or before the 15th day of the third month, the third installment on or before the 15th day of the sixth month, and the fourth installment on or before the 15th day of the ninth month, after such date. If the taxpayer elects to pay the tax in four installments, each of the four installments must be equal in amount, but any installment may be paid, at the election of the taxpayer, prior to the date prescribed for its payment. If an installment is not paid in full on or before the date fixed for its payment either by the Internal Revenue Code or by the Commissioner in accordance with the terms of an extension, the whole amount of the tax unpaid shall be paid upon notice and demand from the collector.

(2) In any case in which an individual taxpayer for any taxable year beginning after December 31, 1943, is entitled to elect, and does so elect, to file as his return Form W–2 (Rev.) as provided in § 29.51–2 (b), the amount of the tax determined by the collector shall be paid within 30 days after the date of mailing by the collector to the taxpayer of a notice stating the amount payable by the taxpayer and making demand upon the taxpayer therefor.

(3) In the case of (1) individual citizens and residents of the United States (other than estates and trusts) and (2) nonresident alien individuals who have wages as defined in section 1621 (a) which are subject to withholding under section 1622, the privilege of installment payments of the tax does not apply with respect to taxable years beginning after December 31, 1942.

(4) For provisions relating to certain cases in which the date otherwise prescribed for the payment of the tax or an installment thereof is postponed by reason of a member (whether or not the taxpayer) of the military or naval forces of the United States serving on sea duty or outside the continental United States, by reason of any other individual (whether or not the taxpayer) being outside the Americas, or by reason of a locality being an area of enemy action or control, see Part 472 of this chapter. See such part also for the circumstances under which the date otherwise prescribed for the payment of the tax or an installment thereof of the spouses of such members or of such other individuals is in certain cases postponed. See such part also as to the time for payment of the tax by China Trade Act corporations.

(5) For provisions relating to the date for payment of the tax for taxable years beginning in 1949 in the case of life insurance companies subject to the taxes imposed by section 201, see § 29.201–1.

(6) Notwithstanding the preceding provisions of this paragraph, in the case of an estate or trust the taxable year of which ends after September 23, 1950, the tax shall be paid on or before the 15th day of the fourth month following the close of such year, or, if paid in installments, shall be paid in equal installments on or before such date and on or before the 15th day of the third, sixth, and ninth month following such date.

(b) *Taxable years ending on or after December 31, 1950*—(1) *In general.* With respect to taxable years ending on or after December 31, 1950, the tax, unless it is required to be withheld at the source under section 1622, is to be paid on or before the 15th day of March following the close of the calendar year, or, if the return is made on the basis of a fiscal year, on or before the 15th day of the third month following the close of such fiscal year. See, however, subparagraph (2) of this paragraph with respect to estates and trusts.

In any case in which an individual taxpayer is entitled to elect, and does so elect, to file as his return Form 1040A, as provided in § 29.51–2, the amount of the tax determined by the collector is to be paid within 30 days after the date of mailing by the collector to the taxpayer of a notice stating the amount payable by the taxpayer and making demand upon the taxpayer therefor.

In the case of a return (other than a return by a nonresident alien individual who does not have wages subject to withholding under section 1622 or a nonresident foreign corporation) for a fractional part of a year, the tax is to be paid on or before the last day prescribed for the filing of the return (see § 29.53–1). But see § 29.53–3.

For the time of payment of tax by a nonresident alien individual (except a bona fide resident of Puerto Rico subject to the provisions of section 220) who does not have wages subject to withholding under section 1622, see section 218. In the case of a nonresident alien individual who is a bona fide resident of Puerto Rico during the entire taxable year and thus subject to the provisions of section 220, the tax for taxable years beginning after December 31, 1950, is to be paid at the time provided in the case of United States citizens and residents.

For the time of payment of tax by a nonresident foreign corporation, see section 236.

(2) *Estates and trusts.* In the case of the tax imposed upon an estate or trust, the tax shall be paid on or before the 15th day of April following the close of the calendar year, or, if the return is made on the basis of a fiscal year, on or before the 15th day of the fourth month following the close of the fiscal year.

(3) *Installment payments*—(i) *Estates of decedents.* With respect to estates of decedents, the fiduciary may elect to pay the tax in four equal installments, instead of in a single payment, in which case the first installment shall be paid on or before the date prescribed for the payment of the tax as a single payment, the second installment shall be paid on or before the 15th day of the third month, the third installment on or before the 15th day of the sixth month, and the fourth installment on or before the 15th day of the ninth month, after such date.

(ii) *Corporations; taxable years ending before December 31, 1954.* With respect to taxable years of corporations ending on or after December 31, 1950, and before December 31, 1954, the taxpayer may elect to pay the tax in four installments, and in such case the amount of the tax paid by each installment shall be as follows:

If the taxable year ends—		Each of the first 2 installments shall be the following percentage of the tax	And each of the last 2 installments shall be the following percentage of the tax
On or after—	And before—		
Dec. 31, 1950	Dec. 31, 1951	30	20
Dec. 31, 1951	Dec. 31, 1952	35	15
Dec. 31, 1952	Dec. 31, 1953	40	10
Dec. 31, 1953	Dec. 31, 1954	45	5

The first installment shall be paid on or before the date prescribed for the payment of the tax as a single payment, the second installment shall be paid on or before the 15th day of the third month, the third installment on or before the 15th day of the sixth month, and the fourth installment on or before the 15th day of the ninth month, after such date.

(iii) *Corporations; taxable year ending on or after December 31, 1954.* With respect to taxable years of corporations ending on or after December 31, 1954, the taxpayer may elect to pay the tax in two equal installments, in which case the first installment shall be paid on or before the date prescribed for the payment of the tax as a single payment and the second installment on or before the 15th day of the third month after such date.

(iv) *In general.* If the taxpayer elects to pay the tax in installments, any installment may be paid, at the election of the taxpayer, prior to the date prescribed for its payment. If an installment is not paid in full on or before the date fixed for its payment either by the Internal Revenue Code or by the Commissioner in accordance with the terms of an extension, the whole amount of the tax unpaid shall be paid upon notice and demand from the collector.

In the case of taxpayers other than estates of decedents, and other than corporations, the privilege of installment payments of the tax does not apply with respect to taxable years ending on or after December 31, 1950.

PAR. 8. There is inserted immediately preceding § 29.143–1 the following:

SEC. 219. PAYMENT OF TAX WITHHELD AT SOURCE FROM NONRESIDENT ALIENS (REVENUE ACT OF 1950, APPROVED SEPTEMBER 23, 1950). The first sentence of section 143 (c) is hereby amended to read as follows: "Every person required to deduct and withhold any tax under this section shall, on or before March 15 of each year, make return thereof and pay the tax to the collector designated in section 53 (b)."

PAR. 9. Section 29.143–7 is amended by striking out the first sentence of paragraph (c) and by inserting in lieu thereof the following: "In every case the tax withheld during a calendar year prior to the calendar year 1950 must be paid to the collector on or before June 15 of the following year. In every case the tax withheld during a calendar year subsequent to the calendar year 1949 must be paid on or before March 15 of the following year."

(53 Stat. 32; 26 U. S. C. 62)

[SEAL] JOHN B. DUNLAP,
Commissioner of Internal Revenue.

Approved: October 18, 1951.

E. H. FOLEY,
Acting Secretary of the Treasury.

[F. R. Doc. 51–12746; Filed, Oct. 23, 1951; 8:45 a. m.]

TITLE 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

PART 526—INDUSTRIES OF A SEASONAL NATURE

APPLICATION FOR EXEMPTION OF FLORIDA SUGARCANE PROCESSING AND MILLING INDUSTRY

On September 29, 1951, notice was published in the FEDERAL REGISTER (16 F. R. 10004) that the authorized representative of the Administrator of the Wage and Hour Division designated to hear and consider this matter had granted a petition for exemption of the Florida sugar cane processing and milling industry as an industry of a seasonal nature pursuant to section 7 (b) (3) of the Fair Labor Standards Act.

The Florida sugar cane processing and milling industry was determined to consist of the following operations in the State of Florida: The loading of sugar cane in the fields and its transportation to a sugar cane processing mill when performed by employees of the processor; the unloading of sugar cane at the mill; the processing of sugar cane into raw sugar, syrup and molasses; and the following operations when performed on the premises of a sugar cane mill while the sugar cane is being procesed: The immediate refining, as one of a connected series of operations, of raw sugar produced from sugar cane ground on the premises; the burning, removing from the premises, or dehydrating of bagasse resulting from the processing of sugar cane; the handling, baling, bagging, packing and storing of the sugar, syrup, molasses, or bagasse; and any operations necessary and incident to the foregoing, including the placing of these products in storage or transportation facilities on or near the premises.

The notice provided that any person aggrieved by said determination could, within 15 days after the date of publication of the notice in the FEDERAL REGISTER, file a petition with the Administrator requesting that he review the action of the authorized representative upon the record of the hearing. No petition for review has been filed and the findings and determination of the authorized representative have become final. Accordingly, pursuant to the provisions of § 526.7 of the regulations contained in this part, the exemption provided by section 7 (b) (3) of the Fair Labor Standards Act will become effective in accordance with the above-mentioned findings and determination upon publication of this notice in the FEDERAL REGISTER. Good cause for waiving the 30-day notice period provided in § 526.7 of the regulations is found in the fact that processing and milling will have commenced when this notice is published.

Signed at Washington, D. C., this 18th day of October 1951.

WM. R. MCCOMB,
Administrator,
Wage and Hour Division.

[F. R. Doc. 51–12718; Filed, Oct. 23, 1951; 8:45 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter E—Organized Reserves

PART 562—RESERVE OFFICERS' TRAINING CORPS

CONDITIONS FOR ENROLLMENT IN SPECIFIC COURSE

Section 562.22 is amended by rescinding paragraph (a) (1) (i) and substituting the following therefor:

§ 562.22 *Conditions for enrollment in a specific course.* * * *

(a) *For basic course senior division—*
(1) *Age requirements.* * * *

(i) Veterans who have completed 1 year or more continuous active military service in the Armed Forces of the United States must not have reached 25 years of age at the time of initial enrollment in the basic course.

* * * * *

[C4, AR 145–350, 3 Oct. 1951] (R. S. 161; 5 U. S. C. 22. Interprets or applies 39 Stat. 191, as amended, sec. 34, 44 Stat. 778; 10 U. S. C. 354, 381–388, 441)

[SEAL] WM. E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 51–12739; Filed, Oct. 23, 1951; 8:45 a. m.]

Chapter XVII—Federal Civil Defense Administration

PART 1706—CONTRACTUAL STANDARDS TO BE FOLLOWED BY THE FEDERAL CIVIL DEFENSE ADMINISTRATOR UNDER EXECUTIVE ORDER NO. 10243 OF MAY 11, 1951

The following regulations, Part 1706, Contractual Standards to be followed by the Federal Civil Defense Administrator under Executive Order No. 10243 of May 11, 1951, are hereby issued.

Sec.
1706.1 Purpose.
1706.2 Extent of Administrator's authority; findings.
1706.3 Delegation of authority.
1706.4 Contractual provisions.
1706.5 General provisions.
1706.6 Record requirements.

AUTHORITY: §§ 1706.1 to 1706.6 issued under sec. 401, 64 Stat. 1254; 50 U. S. C. App. Sup. 2253.

§ 1706.1 *Purpose.* The purpose of the regulations in this part is to prescribe the standards to be followed by the Federal Civil Defense Administrator in the exercise of the contract authority conferred by Executive Order No. 10243 of May 11, 1951.

§ 1706.2 *Extent of Administrator's authority; findings.* (a) The Administrator may enter into, amend or modify (1) emergency and developmental contracts, (2) specialized contracts, (3) contracts pursuant to delegations of authority from any other Federal department or agency, and (4) contracts with respect to an activity approved pursuant

to the provisions of section 405 (3) of the act, whether heretofore or hereafter made, and may make advance, progress or other payments thereon, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts.

(b) Such authority shall be exercised on the basis of all of the facts of each case and shall be based upon the finding that the national defense will be facilitated thereby.

§ 1706.3 *Delegation of authority.* The authority set forth may be exercised by the Administrator or such officers or employees of the Federal Civil Defense Administration as the Administrator may designate.

§ 1706.4 *Contractual provisions.* All contracts and amendments to contracts made under the regulations in this part shall:

(a) Make reference to the act and Executive Order No. 10243.

(b) Contain a statement of the facts and circumstances which justify the action.

(c) Include a finding that the national defense is facilitated thereby.

(d) Contain a warranty by the contractor in the following terms:

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

(e) Include a statement to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts.

(f) Include a statement to the effect that there shall be no discrimination in any act performed hereunder against any person on the grounds of race, creed, color, or national origin, and all contracts hereunder shall contain a provision that the contractor and any subcontractors thereunder shall not so discriminate.

§ 1706.5 *General provisions.* (a) No claim against the United States arising under any purchase or contract under authority of the regulations in this part shall be assigned except in accordance with the Assignment of Claims Act of 1940 (54 Stat. 1029), as amended.

(b) No contract or modification or amendment thereof shall be exempt from provisions of the Walsh-Healy Act (48 Stat. 2036), as amended, because of being entered into without advertising or competitive bidding, and the provisions of such act, the Davis-Bacon Act (49 Stat. 1011), as amended, the Copeland Act (48 Stat. 948), as amended, and the Eight-Hour Law (37 Stat. 137), as amended, if otherwise applicable, shall apply to contracts made and performed under authority of the regulations in this part.

§ 1706.6 *Record requirements.* (a) Complete data shall be maintained by or as directed by the Director, Budget and Fiscal Division, Federal Civil Defense Administration, as to contracts and amendments made to contracts made pursuant to the regulations in this part.

(b) Such data shall be made available for public inspection by the Administrator to the extent deemed compatible with the public interest and not covering classified contracts or purchases.

Effective date. These regulations shall take effect on October 24, 1951.

MILLARD CALDWELL,
Administrator, Federal Civil Defense Administration.

[F. R. Doc. 51-12798; Filed, Oct. 23, 1951; 8:49 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 5, Amendment 5]

CPR 5—IRON AND STEEL SCRAP

MISCELLANEOUS AMENDMENTS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this amendment 5 to Ceiling Price Regulation 5 (16 F. R. 1061) is hereby issued.

STATEMENT OF CONSIDERATIONS

This amendment provides among its items two major changes designed to encourage the flow of steel scrap, to keep this flow in its normal channels of distribution and to reduce the possibility of evasive practices.

The first of these two changes consists of combining certain grades of dealer and industrial scrap at the same price. The specifications set forth in section 23 (a) for dealer and industrial grades are those which have been used in the trade for some 25 years. These specifications especially in the basic open hearth grades have been used in times of normal activity as criteria for evaluating scrap. In times of ample supply the dealer was able to segregate according to such specification and the mills to carefully inspect each carload. However under the present conditions of expanded steel production and diminishing scrap supply the dealer must turn more and more to non-production scrap and although the differences between No. 1 and No. 2 steel are clear and definite under the present specifications, the mechanical or manual segregation of the two grades is often difficult and extremely time consuming. In times of acute shortage such as the present the consuming mill finds it impractical to reject scrap which has not been properly segregated without endangering its future scrap supply. The tendency toward lax inspection by the purchaser in turn leads to upgrading all along the line.

Both dealers and consumers alike have been aware of the inherent evils of this situation and have proposed to the Office of Price Stabilization that the five basic open hearth grades be established at one uniform price. This combination at the base grade price would have resulted in a substantial increase in cost to the consuming mills. A combination of all five grades at differentials below base would have resulted in a considerable roll-back to the industrial producer for his choice production scrap.

The solution adopted by the Office of Price Stabilization establishes No. 1 Heavy Melting Steel, No. 2 Heavy Melting Steel and No. 2 Bundles at a uniform one dollar differential below the base grade. No. 1 Bundles, which now becomes the base grade for purpose of calculating ceiling prices, and No. 1 busheling remain the same as before.

In view of the present low inventories of steel scrap at the consuming mills, there is an urgent need to expedite the flow of scrap and eliminate, where practical, any impediments. By combining No. 1 and No. 2 Heavy Melting Steel at the same price, the costly time and effort consumed in segregating every piece of scrap by gauge and size is eliminated. Correspondingly the task of enforcing the regulation becomes less burdensome and more realistic.

By raising the ceiling price of unprepared steel scrap suitable for compression into No. 2 bundles by two dollars and correspondingly increasing the ceiling price for No. 2 bundles by the same amount, the peddler, autowrecker, farmer, government agency and any other person collecting this type of old non-production scrap is enabled to bring in profitably greater amounts of this type of scrap from the sources which remain the greatest untapped reservoir of remote or abandoned scrap. A further result of this change is that by establishing No. 2 bundles at the same price as No. 1 steel and No. 2 steel, the dealer is permitted to combine these grades, which comprise the vast majority of his open hearth scrap, in one shipment to fill up a car and thus expedite the shipments.

No. 1 bundles, however, along with No. 1 busheling have been left at the present base price. Both consist entirely of new production scrap, which can be easily distinguished from old No. 2 material, and a reduction in price of these grades, which constitute by far the largest proportion of the tonnage of industrial production scrap, would have resulted in an appreciable and unjustifiable rollback to these industrial generators. The No. 1 bundles because of uniform superior quality and relatively large and constant tonnage have come to be regarded by both shipper and consumer alike as the prime grade of open hearth steel scrap. As a consequence no difficulty should arise from its being made the base grade.

Ceiling prices for pit scrap, ladle scrap, salamander scrap, skulls, skimmings or scrap recovered from slag dumps were

established on the basis of a relationship to No. 1 Heavy melting steel. This price relationship has been retained by the present amendment and the reduction in the ceiling price of No. 1 Steel correspondingly results in a one dollar per gross ton lower realization to the seller.

In conjunction with this price revision the differentials for foundry steel have been reduced to discourage the present tendency of over-producing these grades at the expense of vitally needed open hearth grades. In addition and for the same reasons, the permission heretofore granted basic open hearth and blast furnace consumers to pay the premium ceiling prices for certain foundry and electric furnace grades when allocated by the National Production Authority has been revoked.

These price revisions, considered as a whole, achieve the purpose behind the proposal to combine the five open hearth grades and at the same time eliminate the obvious shortcomings of such a change. The total increase in cost to the open hearth mills is not appreciable in view of the reduction in price of No. 1 steel, the elimination of the necessity for open hearth consumers to be allocated high priced foundry scrap and the further savings resulting from the expected reduction in upgrading.

The second major change in CPR 5 is the establishment of ceiling prices for all sales and deliveries of iron and steel scrap. Prior to this amendment interdealer sales of unprepared iron and steel scrap were exempt from price control. The reason for this exemption was the desire of the Office of Price Stabilization to permit the dealer to adjust his purchase price according to the circumstances in each case. However, due to the critical shortage in supply of iron and steel scrap, the resulting increase in inflationary pressure has exerted itself on this one remaining uncontrolled phase of the industry. Spirited competition for the insufficient supply of unprepared scrap, which may aptly be described as the raw material of the scrap dealer's preparation operation, and ceiling prices governing the prepared scrap have combined to result in a narrowing or elimination of the normal preparation and resale margin. It has come to the attention of this office that some unprepared steel scrap has sold at prices equal to and above the ceiling prices for the prepared grades. Since it is obvious that no dealer will continue to operate his business at a loss, such an abnormal price structure invariably results in one of two things: either the material will subsequently be sold in violation of the terms of CPR 5, or it will be retained in inventory as unprepared scrap for a possible increase in ceiling price. One alternative is as harmful to stabilization and production as the other. Wherever one dealer is willing to risk this type of transaction, no other dealer can hope to purchase the material at a price which will enable him to show a profit under the ceiling prices established for the prepared grades. This situation is being remedied by placing ceiling prices on sales between dealers of unprepared scrap and restoring the customary margin to the preparer intended by the regulation when originally issued. To provide the small dealer, who must sell to larger dealers with preparation facilities, with an adequate resale margin, a one dollar per gross ton differential has been provided.

The members of the Industry Advisory Committee for Iron and Steel Scrap and especially the dealers and brokers have been consulted in this matter and they are in accord with the present amendment.

In addition to several clarifying amendments, and the re-arrangement of several provisions, a change in the trucking provision has been necessitated by the imposition of dealer to dealer ceiling prices. It has been the practice under normal conditions for the peddler who trucks his unprepared scrap into the dealer's yard to absorb the cost of trucking in his margin. The trucking charges permitted by CPR 5 prior to this amendment, however, tended to disrupt normal flow of scrap by encouraging the trucking of unprepared scrap to consumers and worked a considerable hardship to the preparer of the scrap by narrowing the amount he could realize on preparation. This amendment restores the normal practice by permitting the shipper owning or controlling the truck to add trucking charges only for shipments of prepared scrap, and prohibiting the addition of such trucking charges on shipments of unprepared scrap. To further correspond to the customary practice this amendment permits the peddler who trucks his unprepared scrap into a yard for preparation to sell this scrap at the ceiling shipping point price established at the point of delivery.

In the judgment of the Director of Price Stabilization the ceiling prices established by this regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

So far as practicable the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in the furtherance of the objectives of the Defense Production Act of 1950, as amended, and to relevant factors of general applicability.

Every effort has been made to conform these amendments to existing business practices or means or aids to distribution. Insofar as any provisions of this regulation may operate to compel changes in the business practices, or means or aids to distribution, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of the regulation.

In formulating this amendment the Director has consulted with the representatives of the industry, so far as practicable under the circumstances, and has given consideration to their recommendations.

AMENDATORY PROVISIONS

Ceiling Price Regulation 5 is amended in the following respects:

1. Section 1 is amended to read as follows:

SECTION 1. *What this regulation does and prohibitions.* (a) This regulation establishes ceiling prices and fees for:

(1) All sales and deliveries, including export sales and sales for export, by any person of prepared and unprepared steel scrap;

(2) Intransit preparation of iron and steel scrap;

(3) Brokerage service on sales of iron and steel scrap.

(b) *Prohibitions against dealing in iron and steel scrap at prices above ceiling.* On and after October 30, regardless of any contract or other obligation

(1) No person shall sell, deliver, buy, receive, or prepare iron or steel scrap or agree, offer, solicit, or attempt to do any of the foregoing at prices above those established in this regulation;

(2) No person shall sell or deliver iron or steel scrap upon condition that the buyer shall sell or deliver to any person any other commodity. No person shall buy or receive iron or steel scrap upon the conditions that he shall sell or deliver to any person any other commodity;

(3) No person shall act as both broker and dealer in the purchase of any single lot or item of iron or steel scrap where the price paid for such lot or item of iron or steel scrap would exceed the applicable ceiling price established by this regulation.

2. The first sentence of section 3 (a) (1) is amended to read as follows:

(1) *Basing point prices for the base grade, No. 1 bundles, Grade 1:*

3. Section 3 (a) (2) is amended to read as follows:

(2) *Differentials per gross ton above or below the price of Grade 1 (No. 1 bundles) for others grades of steel scrap.*

OPEN HEARTH AND BLAST FURNACE GRADES

Grades	Differentials
2. No. 1 busheling	Base
3. No. 1 Heavy melting steel	−$1.00
4. No. 2 Heavy melting steel	−1.00
5. No. 2 bundles	−1.00
6. Machine shop turnings	−10.00
7. Mixed borings and short turnings	−6.00
8. Shoveling turnings	−6.00
9. No. 2 busheling	−4.00
10. Cast iron borings	−6.00

ELECTRIC FURNACE AND FOUNDRY GRADES

11. Billet, bloom and forge crope	+7.50
12. Bar crops and plate scrap	+5.00
13. Cast steel	+5.00
14. Punchings and plate scrap	+2.50
15. Electric furnace bundles	+2.00
16. Cut structural and plate scrap 3′ and under	+3.00
17. Cut structural and plate scrap 2′ and under	+5.00
18. Cut structural and plate scrap 1′ and under	+6.00
19. Briquetted cast iron borings	Base
20. Foundry steel, 2′ and under	Base
21. Foundry steel, 1′ and under	+2.00
22. Springs and crankshafts	+1.00
23. Alloy free turnings	−3.00
24. Heavy turnings	−1.00
25. Briquetted turnings	Base
26. No. 1 chemical borings	−3.00
27. No. 2 chemical borings	−4.00
28. Wrought iron	+10.00
29. Shafting	+10.00
30. Hard steel cut 2′ and under	+5.00
31. Old tin and terne plate bundles	−10.00

UNPREPARED GRADES

Grades	Differentials
32. Unprepared steel scrap which when compressed constitutes No. 1 bundles	−$6.00
33. Unprepared steel scrap which when compressed constitutes No. 2 bundles	−9.00
34. Unprepared steel scrap other than material suitable for hydraulic compression	−8.00

4. Section 3 (b) (4) is amended to read as follows:

(4) The premiums established for Grades 11, 12, 13, 14, 15, 16, 17, 18, 20, and 21 may be charged only when sold for use in electric furnaces, acid open hearth furnaces, or foundries. No person shall charge, and no person shall pay, when purchasing such grades for use in basic open hearth or blast furnaces, a price in excess of the price for the corresponding basic open hearth or blast furnace grades.

5. Section 3 (c) (3) is amended to read as follows:

(3) The ceiling price of any inferior grade of iron or steel scrap not listed in section 3 (a) (2) hereof, shall not exceed the price of No. 1 bundles less $15.00.

6. Section 3 (c) is amended by adding the following subparagraph (5):

(5) The ceiling shipping point price for the sale of any grade of unprepared scrap of dealer or industrial origin (grades 32, 33, and 34) by a dealer to another dealer is the price determined in accordance with section 4 plus an amount not to exceed $1.00 per gross ton.

7. Section 4 (d) is amended to read as follows:

(d) The ceiling shipping point price for No. 1 bundles (with differentials established in section 3 hereof for all other grades) at all shipping points in New York City (or Brooklyn, New York) shall be $36.99 per gross ton.

8. Section 4 (g) is amended to read as follows:

(g) The ceiling shipping point price for No. 1 bundles (with differentials established in section 3 hereof for all other grades) need not fall below $32.00 per gross ton.

9. Section 7 (a) (2) is amended by adding the following grade (36):

36. Unprepared steel scrap other than material suitable for hydraulic compression, −$8.00.

10. Section 11 is amended by adding the following paragraph (d):

(d) *Unprepared cast iron scrap.* Any iron casting which cannot be broken with an ordinary drop into Grade 2 (cast iron No. 2) or Grade No. 1 (cast iron No. 1) as established in section 11 hereof may not be classified as Grade No. 3 (cast iron No. 3). Where such iron casting requiring blasting or other special preparation is sold to a consumer of scrap, the shipping point price for Grade No. 3 (cast iron No. 3) as established in section 11 hereof must be reduced by the amount of the additional charges required for preparation.

11. Section 13 (b) is amended to read as follows:

(b) Where delivery of any prepared grade of iron or steel scrap is made in a truck owned or controlled by the shipper or broker the ceiling delivered price (or on-line price in the case of operating railroads) as established by section 4, 8, 10, or 11 of this regulation plus the published and applicable motor common carrier charge for transporting scrap from the shipping point to the consumer's receiving point. This charge for transporting scrap, however, may not exceed $4.00 and need not fall below $2.50 per gross ton.

12. Section 13 is amended by adding the following paragraph (c):

(c) Where delivery of any unprepared grade of iron or steel scrap is made in a truck owned or controlled by the shipper or broker, no trucking charge may be added to the ceiling shipping point or on-line price: *Provided, however,* That the ceiling delivered price on such shipments need not fall below the ceiling shipping point price for the applicable unprepared grade at the point of delivery.

13. Section 16 (a) (1) and section 16 (a) (2) are amended to read as follows:

(1) For preparing into Grade No. 3 (No. 1 heavy melting steel), Grade No. 4 (No. 2 heavy melting steel) or Grade No. 2 (No. 1 busheling), $8.00 per gross ton.

(2) For hydraulically compressing Grade No. 1 (No. 1 bundles), $6.00 per gross ton or Grade No. 5 (No. 2 bundles), $8.00 per gross ton.

14. Section 18 is amended by adding the following paragraph (b):

(b) When grades of scrap commanding different ceiling prices under the provisions of this regulation are included in one vehicle, the ceiling price shall be as follows:

(1) Where a portion of the material has been unloaded and the balance of the shipment returned to the shipper, the ceiling price for that portion which has been unloaded shall be the ceiling price for the grade unloaded;

(2) Where no portion of the shipment is returned to the shipper, the ceiling price for the entire shipment shall be the ceiling price established for the lowest priced grade in the car.

15. Section 20 is deleted in its entirety.

16. The heading of section 23 (a) is amended to read as follows:

(a) *Basic open hearth and blast furnace grades.* (The numbering of the paragraphs does not necessarily correspond to the grade numbers established in section 3).

17. Section 28 is amended by adding the following additional paragraphs (m) and (n):

(m) "Dealer" means any person whose business includes the acquisition of any material for the purpose of sale as waste, scrap, or salvage materials.

(n) "Unprepared scrap." The term shall have its customary trade meaning and shall not include such demolition projects as automobiles, bridges, rail abandonments, vessels, and locomotives, cranes, freight cars and similar equipment on its own wheels. Prior to demolition such projects are not iron and steel scrap and must be priced under the applicable provisions of the General Ceiling Price Regulation.

Effective date. The effective date of this amendment is October 30, 1951, or such earlier date between October 23, 1951 and October 30, 1951, as the seller may select. If a seller selects such an earlier date, this amendment in its entirety becomes effective as to him for all his sales and deliveries covered by Ceiling Price Regulation 5.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

OCTOBER 23, 1951.

[F. R. Doc. 51-12846; Filed, Oct. 23, 1951; 11:33 a. m.]

[Ceiling Price Regulation 88]

CPR 88—UNBLEACHED KRAFT PAPER

Pursuant to the Defense Production Act of 1950, as amended, (Pub. Law 774, 81st Cong., Public Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Ceiling Price Regulation No. 88 is hereby issued.

STATEMENT OF CONSIDERATIONS

Description of the kraft paper industry. The unbleached kraft paper industry consists of two well defined economic segments each of which has a general geographic pattern. One of these includes a group of twenty-seven integrated mills all located in the South and in the far West. This group accounts for over 80 percent of the total production tonnage in the industry. The other segment of the industry is composed of a group of seven integrated mills and eighteen converter mills. All but three of these converters are located in the Northeastern and Lake States. The Southern and Western segment of the industry is characterized by large-scale, low-cost production and rapid growth of mill productive capacity in recent years. These mills also have access to lower cost pulpwood and more modern and efficient plants, operating 24 hours 7 days a week, as contrasted with six-day operation in the North and Lake States region.

In the Northeastern and Lake State region the integrated mills, while producing paper at cost somewhat lower than converter mills, have costs per unit of output which are substantially above the unit costs of the integrated mills in the South and West because of higher pulpwood costs, and less intensive use of machinery and less modern equipment. These integrated mills do not all produce their complete pulp require-

ments. The deficiency is made up through purchases of more expensive Canadian and overseas pulp. Costs for the converter mills are substantially above the remainder of the industry because of the high prices which they must pay for domestic and imported pulp, shrinkage loss in the conversion of pulp and extra handling costs. The mills in the Northern and Lake States operate small, slow-running machines and manufacture high grade specification papers at a level of prices which historically has been well above the level for the Southern and Western mills.

The kraft paper industry has shown a rapid migration from the North to the South and West Coast in the last thirty years. Originally the entire industry was located in the North, where wood, water power, labor and markets were all available. Gradually, however, as the Northern wood supply was depleted, it became necessary to go farther and farther away for pulpwood, and the resulting higher transportation costs sharply increased the delivered cost of pulpwood to the Northern mills. Water power gave way to electricity, labor became available in the South and on the West Coast, and markets became national. Furthermore, the new mills which were built in the South and on the West Coast incorporated the latest technological improvements and so achieved economies that made it impossible for the mills in the North to be competitive in the volume grades. These Northern mills had to turn to specialties which the Southern and Western mills were not able or willing to produce. Substantially all of the unbleached kraft paper currently produced in the North is a tailor-made product, run to individual specifications, and includes such technical papers as abrasive, cartridge, cable sheathing, filter, metal protective, antitarnish, and twisting, or luxury papers which are specially colored and imprinted or embossed.

Today practically all of the lower-priced, volume grades are manufactured in the South and West. The degree and rate of this transition from the North to the South and West Coast is shown by the following table:

GEOGRAPHICAL ORIGIN OF SHIPMENTS OF UNBLEACHED KRAFT PAPER, BY YEARS

Year	Percentage of total industry from—	
	Northeast and Lake States	South and West
1935	42.1	57.9
1936	43.8	56.2
1937	34.6	65.4
1938	29.5	70.5
1939	30.5	69.5
1940	27.7	72.3
1941	26.2	73.8
1942	25.5	74.9
1943	26.2	73.8
1944	27.6	72.4
1945	26.9	73.1
1946	24.5	75.5
1947	23.3	76.7
1948	20.2	79.8
1949	16.8	83.2
1950	18.5	81.5

Source: Kraft Paper Association, Inc. Figures include nonmembers. South and West figures include the 3 converter mills in that area.

Evidence of the continuation of this transition is the fact that six new integrated kraft paper machines have been announced for installation between August 1951 and December 1953, all located in the South. The combined capacity of these new machines is 1,250 tons of unbleached kraft paper per day, which will increase the present capacity by nearly 18 percent, or more than the total tonnage currently produced in the North.

While there is considerable similarity of costs and of products between the individual mills within each of these two economic segments, there is a sharp difference between the two segments.

These basic economic differences have been taken into account in the level of prices and in the pricing techniques which are established under this regulation.

Necessity for this ceiling price regulation. The continuing high level of civilian and defense production has created a market demand for unbleached kraft paper which is in excess of the industry's ability to produce, even with all segments operating at top capacity. This situation coupled with the greatly increased cost of market pulp since Korea has resulted in inflationary price pressure throughout the industry.

This regulation, by freezing the prices that have been in effect since January 25, 1951, on 80 percent of the total industry tonnage, minimizes the inflationary effects of high cost market pulp and excessive demand. The converter and northern integrated mills, which account for the remaining 20 percent of tonnage, are the "small business" segment of the industry. These mills are wholly or partially dependent upon market pulp, and ceiling prices must be high enough to keep them in production over the emergency period. However, since they represent only one-fifth of the total tonnage and primarily manufacture specification paper which are lower cost substitutes for textiles, plastics, metal and other critical materials, the ceiling prices established for them under this regulation will have little if any effect on the over-all economy.

The level of ceiling prices under this regulation. The general level of prices established for the Southern and Western integrated segment of the industry is the level which was in effect on January 25, 1951, and which has continued to be the prevailing level to date. It is well below the level permitted by CPR 22, and while it is approximately 20 percent above the first half of 1950, it averages less than six percent above the prices prevailing throughout 1948 and the first half of 1949.

Dollar and cent prices are established for the seven major grades produced by the Southern and Western integrated mills. All other grades of unbleached kraft paper made by these same mills are related to the seven major grades by customary differentials.

Ceiling prices established for the Northern and Lake States integrated and converter mills are the ceiling prices in effect on the date of issuance of this regulation. For nearly all of these mills they will be at the levels permitted by CPR 22, adjusted downward to reflect the rollback of wood pulp prices under CPR 49. While it is recognized that prices in this small segment exceed the January 25–February 24, 1951, levels through the operation of the cost adjustment provisions of CPR 22, these prices are necessary in order to continue full production of these mills and to prevent further inflationary pressure that would result from any curtailment of the total industry production.

FINDINGS OF THE DIRECTOR OF PRICE STABILIZATION

In formulating this regulation the Director of Price Stabilization has consulted extensively with industry representatives and the National Production Authority, and has given full consideration to their recommendations. In his judgment, the provisions of this regulation are generally fair and equitable and are necessary to effectuate the purposes of the Defense Production Act of 1950, as amended.

So far as practicable, the Director of Price Stabilization gave due consideration to the national effort to achieve maximum production in furtherance of the objectives of the Defense Production Act of 1950, as amended, and to relevant factors of general applicability.

To the extent that this regulation compels changes in business practices, cost practices or methods, or means or aids to distribution established in the industry, such changes are necessary to prevent circumvention or evasion of this regulation.

REGULATORY PROVISIONS

ARTICLE I—APPLICABILITY AND PROHIBITIONS

Sec.

ARTICLE II—PRICING PROVISIONS

ARTICLE III—REPORTS AND RECORDS

ARTICLE IV—GENERAL PROVISIONS

AUTHORITY: Sections 1 to 16 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101–2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105, 3 CFR, 1950 Supp.

ARTICLE I—APPLICABILITY AND PROHIBITIONS

SECTION 1. *What this regulation does.* This regulation establishes ceiling prices for manufacturers' sales of unbleached kraft paper produced in the United States. For certain standard grades pro-

duced by integrated mills in the South and West uniform dollar and cent base prices are established in section 4. For all other grades produced by these mills a method of pricing is set forth also in section 4. Differentials which are applied to these base prices to arrive at ceiling prices are set forth in section 5. All other integrated mills and all converter mills establish their ceiling prices under section 6. The ceiling prices in this regulation supersede those established in any other regulation.

SEC. 2. *Applicability.* The provisions of this regulation are applicable to the United States and District of Columbia and to the territories and possessions of the United States.

SEC. 3. *Prohibitions.* On and after the effective date of this regulation, regardless of any contract or other obligation:

(a) A manufacturer of kraft paper shall not sell or deliver unbleached kraft paper manufactured by him at prices higher than the ceiling prices established by this regulation.

(b) A purchaser of kraft paper shall not buy or receive unbleached kraft paper from the manufacturer in the regular course of business or trade at prices higher than the ceiling prices established by this regulation.

(c) No person shall agree, offer, solicit, or attempt to do any of the foregoing.

ARTICLE II—PRICING PROVISIONS

SEC. 4. *Base prices for integrated mills located in the South and West.* These mills shall establish their ceiling prices by using the following base prices, plus or minus the differentials as provided in section 5, if applicable.

(a) Uniform base prices for the following grades:

Grade	Base price per hundredweight
Wrapping paper, counter rolls	$7.75
Butchers paper, counter rolls	8.25
Grocers and variety bag paper, mill rolls (minimum diameter 26 inches)	7.50
Shipping sack paper, mill rolls (minimum diameter 26 inches)	7.75
Gumming paper, mill rolls (minimum diameter 22 inches)	8.00
Asphalting paper, mill rolls (minimum diameter 24 inches)	7.75
Envelope paper, mill rolls (minimum diameter 26 inches)	9.25

The above prices are for basis weights 50 pounds and up, except for envelope paper which is for substance 20 up, f. o. b. mill in carload lots with lowest carload rate of freight allowed up to $10.00 per ton. A carload lot is the minimum tonnage required by the Consolidated Freight Classification rulings for shipment at the carload rate to one customer at one destination.

(b) Individual mill base prices for all other grades. A mill which had a base price in effect on August 1, 1951, for a grade not listed in paragraph (a) of this section shall determine the base price for each such grade as follows:

(1) Determine which of the grades listed in paragraph (a) is its best selling grade by tonnage in the calendar year 1950. This is the mill's "reference grade".

(2) Determine the difference in dollars per ton between the price established in paragraph (a) for the reference grade and the mill's August 1, 1951, base price for that same grade. This is the mill's "reference grade differential".

(3) To establish a base price for any grade not listed in paragraph (a) apply the reference grade differentials to the mill's August 1, 1951 base price for the grade being priced.

Example: If shipping sack paper was the best seller grade during 1950 for a mill and the August 1, 1951, base price of that mill for shipping sack paper was $5.00 higher than the shipping sack paper price listed in section (5) (a), the mill's reference grade differential is minus $5.00, and the base prices of all grades other than those listed in (a) become $5.00 per ton less than the base prices for those same grades which were in effect on August 1, 1951. Conversely, if the mill's August 1, 1951, base price for the reference grade was $5.00 per ton lower than the price listed in paragraph (a), the mill may establish base prices for all other grades $5.00 per ton above the base prices it had in effect on August 1, 1951.

(c) Mills desiring to establish a base price for a grade on which they did not have a ceiling price in effect on August 1, 1951, shall use the procedure provided in section 7.

SEC. 5. *Differentials and terms of sale.* (a) The following differentials apply to the base prices in section 4 (a) except as qualified below.

(1) For less than carload shipments, add 25 cents per cwt. and allow the lowest carload rate of freight up to $10.00 per ton.

(2) Finishing charges (for wrapping and butchers paper only).

(i) For mill rolls—subtract $0.25 per cwt.

(ii) For standard size sheets—add $0.50 per cwt. Standard size sheets in inches:

10 x 15	18 x 26	26 x 36
12 x 18	20 x 30	30 x 40
13 x 18	22 x 32	36 x 48
15 x 20	24 x 27	40 x 48
16 x 22	24 x 30	48 x 60
18 x 24	24 x 36	48 x 64

(iii) For special size sheets (minimum area 150 square inches):

5 tons or more each size—add $1.00 per cwt.

1 to less than 5 tons each size—add $1.25 per cwt.

(b) The following differentials apply to all base prices established under section 4 (a) or (b), except as qualified below:

(1) Basis weights of less than 50 pounds (not including envelope paper):

40 to less than 50 pounds—add $0.25 per cwt.

35 to less than 40 pounds—add $0.50 per cwt.

30 to less than 35 pounds—add $1.00 per cwt.

25 to less than 30 pounds—add $2.00 per cwt.

(2) All other differentials: Differentials for weights or sizes not listed in (a) (2) and (b) (1) of this section, and differentials for colors, special finishes, machine imprinting, marking or striping, special packing, etc., shall not exceed the customary upcharges or allowances, by grades and classes of purchases, that were in effect for each mill on August 1, 1951.

(3) Terms of sale: Cash discount and other terms of sale shall not be less favorable to the buyer than those that were in effect for each mill on August 1, 1951.

SEC. 6. *Ceiling prices for integrated mills located in the Northeast and for all converter mills.* (a) These mills shall use as their ceiling prices for the commodities covered by this regulation either the ceiling prices which they had in effect during the period January 25, 1951, to February 24, 1951, inclusive, or the ceiling prices which they had in effect on the day prior to the date of issuance of this regulation: *Provided*, That if the computation of such ceiling prices was made under CPR 22, new ceiling prices shall be calculated for all grades under this section by adjusting the pulp cost factor according to the following method:

(1) Take the mill's current ceiling price for each grade of paper.

(2) Take the physical amount of each grade of pulp required to produce one ton of paper including shrinkage which was used in the calculation of the mill's current ceiling price for that grade under CPR 22.

(3) Multiply the physical amount of each grade of pulp determined in (2) by the net cost per ton, for each grade, which was used by the mill to determine its net cost per unit under CPR 22.

(4) Add the resulting figures derived under (3) to determine the total cost of pulp per ton of paper used in the calculation of the current ceiling price.

(5) Using the same procedure as described in (2) and (3) of this section, determine the total cost of pulp per ton of paper being priced, using the three month period ending September 30, 1951, or the mill's comparable accounting period as to physical amounts of pulp consumed, and applying the appropriate ceiling prices of CPR 49 to the amount of each grade of domestic and foreign pulp actually used, including any allowable freight charges to the mill, and the actual cost of any Canadian pulp used during the three months for which this calculation is made.

(6) Find the difference between the total cost of pulp per ton of paper derived under (4) and (5) of this section. This difference, expressed in dollars per ton of paper, is the pulp cost adjustment.

(7) Subtract (or add if the recent cost is the higher) the pulp cost adjustment from the mill's current ceiling price of the paper being priced to establish its new ceiling price under this regulation.

(b) Instead of individually calculating for each grade of paper as provided in paragraph (a) of this section, the mill may determine its cost of pulp per ton of paper covered by this regulation on an overall basis using the method in paragraph (a).

(c) If by using either the method described in paragraphs (a) or (b) of this section above, the resulting change in the mill's paper ceiling price is less than 3 percent, the current ceiling price shall remain in effect as the ceiling price under this regulation. If the difference is 3

percent or more, the new ceiling price must be filed with OPS, Washington 25, D. C., within 30 days from the effective date of this regulation, and shall become effective immediately upon such filing.

Example: If, under CPR 22, a mill filed a ceiling price of $350.00 for a grade of paper which was based upon the consumption of 60 percent foreign and 40 percent domestic pulp, and used a shrinkage factor of 6 percent, and the cut-off date cost for foreign pulp was $210.00 per ton, and for domestic pulp was $150.00 per ton, the pulp cost adjustment would be calculated as follows:

0.6 ton of pulp, at $210	$126.00
0.4 ton of pulp, at $150	60.00
	186.00
Shrinkage, at 6 percent	11.16
Total, pulp cost per ton of paper in CPR 22 ceiling price	197.16
Assuming current pulp consumption is 50 percent foreign and 50 percent domestic:	
0.5 ton of pulp, at $200.00 (CPR 49)	100.00
0.5 ton of pulp, at $132.50 (CPR 49)	66.25
	166.25
Shrinkage, at 6 percent	9.98
	176.23
Total, current pulp cost per ton of paper pulp cost adjustment, per ton of paper	20.93

Since this adjustment amounts to at least 3 percent of the current ceiling, the ceiling must be reduced $20.93 per ton.

(d) If neither the individual grade method provided in paragraph (a) of this section nor the total mill production method provided in paragraph (b) of this section is practicable, the manufacturer may propose a substitute method in writing to the Office of Price Stabilization, Washington 25, D. C., stating the reasons why it is believed to be appropriate and necessary and why neither of the two alternative methods is practicable and setting forth in detail the steps to be taken under the proposed method. The proposed method must follow the same general techniques, definitions, and limitations as the two alternative methods already provided and must achieve the same basic results. Unless and until the Director of Price Stabilization approves such a proposal in writing, it may not be used.

SEC. 7. *Ceiling prices for grades which cannot be priced under sections 4, 5, or 6—all mills.* (a) All mills (integrated and converter) shall determine their ceiling prices for grades for which ceiling prices cannot be established under sections 4, 5, or 6 as follows:

(1) If the grade is one for which other manufacturers have established ceiling prices under this regulation, a mill may file as its proposed ceiling price for that grade, a price which does not exceed the ceiling price of its most closely competitive mill, selling the same grade to the same class of purchaser.

(2) If the grade is one for which the mill is unable to find a competitive mill which has established a ceiling price on the same grade, the mill may file a proposed ceiling price by applying the following method:

(i) Find the percentage markup over the total direct unit cost of labor and materials which the mill is currently receiving on its most nearly comparable grade.

(ii) Apply this same percentage markup to the total direct unit cost of labor and materials of the new grade.

(iii) The ceiling price of the new grade, so determined, must be reported to the Director of Price Stabilization as provided under section 8 (d).

ARTICLE III—REPORTS AND RECORDS

SEC. 8. *Reports.* (a) Manufacturers establishing ceiling prices for related grades in accordance with section 4 (b) must file a report with the Director of Price Stabilization, Washington 25, D. C., giving the following information, and must have received a receipt acknowledging the filing before selling any grade so priced.

(1) The grade name and the base price of the "reference grade" on August 1, 1951.

(2) The name and description of the specifications and of the use of the grade being priced.

(3) The base price on August 1, 1951, of the grade being priced.

(4) The proposed base price for the grade being priced and all differentials covered by section 5 (b) (2) and (3).

(b) Manufacturers establishing ceiling prices in accordance with section 6 must file a report with the Director of Price Stabilization, Washington 25, D. C., within 30 days of the effective date of this regulation, giving the following information:

(1) The grade name and a description of the specifications and of the end use of the grade being priced.

(2) The base price and all differentials of the grade being priced which were in effect on the day prior to the date of issuance of this regulation. Published price lists may be submitted, supplemented with explanatory notes if necessary. These supply this required information.

(3) If a new ceiling price for a grade was determined according to section 6 (a) or (b), the proposed base price for the grade and all differentials, if any, and the calculations used in arriving at the new ceiling price, indicating particularly with respect to subparagraphs (3) and (5) of section 6 (a):

(i) Whether the pulp grades are domestic, foreign, Canadian or a combination of these.

(ii) The amount of each grade of pulp per ton of paper used in the manufacture of the particular grade of paper.

(iii) The pulp prices used for each grade.

(c) Manufacturers establishing prices for new grades under section 7 (a) (1) must file a report for each such grade with the Director of Price Stabilization, Washington 25, D. C., giving the following information, and must wait 15 days from the filing date before making any sales of the new grade.

(1) The grade name, a description of the specifications and of the use of the new grade.

(2) The name and price of the most closely competitive mill.

(3) An explanation as to why the mill selected is the most closely competitive mill.

(4) The proposed price (including all differentials) for the new grade.

(d) Manufacturers establishing prices for new grades under section 7 (a) (2) must file a report for each such grade with the Director of Price Stabilization, Washington 25, D. C., giving the following information, and must wait 15 days from the filing date before making any sales of the new grade.

(1) The grade name, a description of the specifications and use of the new grade.

(2) A description of the comparison grade and an explanation as to why it has been selected as the most nearly comparable grade.

(3) The ceiling price of the comparison grade.

(4) A breakdown of the current unit direct cost of the comparison grade.

(5) The gross margin and the percentage markup over current unit direct cost for the comparison grade.

(6) A breakdown of the current unit direct cost of the new grade.

(7) The proposed price (including all differentials) for the new grade.

SEC. 9. *Records.* (a) On and after the effective date of this regulation, every manufacturer making sales or exchanges of kraft paper and every person who in the regular course of trade or business buys kraft paper from manufacturers shall keep for inspection by the Office of Price Stabilization for a period of two years from date of sale records of each sale or exchange of unbleached kraft paper showing the following:

(1) Date of purchase, sale or exchange.

(2) Name and address of the buyer and seller.

(3) Grade sold, bought or exchanged.

(4) Quantity of each grade sold, bought, or exchanged.

(5) Prices, including terms of sale received.

ARTICLE IV—GENERAL PROVISIONS

SEC. 10. *Export sales and sales to territories and possessions of the United States.* (a) Ceiling prices for export sales and sales for export are established under CPR 61.

(b) On sales for water shipment to the territories and possessions of the United States, the domestic ceiling price shall apply, f. o. b. mill with lowest carload rate of freight allowed to nearest domestic port of exit up to $10.00 per ton. To this may be added all actual direct or indirect cost incident to such transactions, such as special packaging, transportation, insurance, etc.

SEC. 11. *Less than ceiling prices.* Lower prices than those established by this regulation may be charged, demanded, paid or offered.

SEC. 12. *Petitions for amendment.* Any person who wishes to have this regulation amended may file a petition

for amendment in accordance with the provisions of Price Procedural Regulation 1, Revised, issued by the Office of Price Stabilization, 16 F. R. 4974.

SEC. 13. *Adjustable pricing.* Nothing in this regulation shall be construed to prohibit the making of a contract or offer to sell unbleached kraft paper at (a) the ceiling price in effect at the time of delivery, or (b) the lower of a fixed price or the ceiling price in effect at the time of delivery.

SEC. 14. *Evasion.* Any practice which results in obtaining a higher price than is permitted by this regulation is a violation of this regulation. Such practices include, but are not limited to devices making use of commissions, services, cross sales, transportation arrangements, premiums, discounts, special privileges, tie-in agreements and trade understandings.

SEC. 15. *Enforcement.* Persons violating any provision of this regulation are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950, as amended.

SEC. 16. *Definitions.* The terms used in this Ceiling Price Regulation shall be construed in the following manner:

(a) *Sellers and buyers.* (1) "Manufacturer" means any person who converts wood fiber into unbleached kraft paper, and any person who sells this commodity as an agent, employee or other representative of the manufacturer.

(2) "Mill" means a complete production unit for the manufacturer of unbleached kraft paper. (A single manufacturer may have two or more mills at different locations, one of which might be an integrated mill and another a converter mill.)

(3) "Converter mill" means a mill which does not manufacture unbleached sulphate pulp, but converts purchased pulp or waste paper or both into paper.

(4) "Integrated mill" means a mill which manufactures unbleached sulphate pulp from wood fiber and converts that same pulp into paper. Even though an integrated mill may supplement its use of its own pulp with purchased pulp, it is still considered an integrated mill for the purposes of this regulation.

(5) "Most closely competitive mill" means the mill which is considered the most direct competitor. A mill is in direct competition with another mill if it sells the same type of commodity to the same class of purchaser.

(6) "Person" includes an individual, corporation, partnership, association or any other organized group of persons, or legal successors or representatives of the foregoing, and the United States or any other Government or their political subdivisions or agencies subject to this regulation.

(7) "Class of purchaser or purchaser of same class." This term refers to the practice adopted by a seller in setting different prices for sales to different purchasers or kinds of purchasers (for example, manufacturer, wholesaler, shopper, retailer, Government agency, public institutions or individual consumer) or for purchasers located in different areas or for purchasers of different quantities or grades or under different terms or conditions of sale or delivery.

(b) *Grade identification.* (1) "Grade". This term classifies different papers in terms of their respective end uses, and of the particular characteristics required for each such end use.

(2) "Unbleached kraft paper" means any paper testing less than 25 GE brightness and containing 75 percent or more of unbleached kraft (sulphate) fiber in basis weights 18 pounds and up, except that for the purposes of section 5, the following minimum basis weights and percentages of fiber shall apply.

(i) "Asphalting paper" means any unbleached kraft paper, 25 pounds basis weight and up, made for and to the individual specifications of a manufacturer of asphalt impregnated or laminated paper, in rolls 24 inches or more in diameter.

(ii) "Butchers paper" means a specially sized sheet of unbleached kraft paper, containing 90 percent or more of unbleached kraft fiber generally tinted pink and designed for use as meat wrapping in retail stores.

(iii) "Envelope paper" means any unbleached kraft paper, substance 16 or heavier, made for and specially sized and finished to the individual specifications of a manufacturer of envelopes.

(iv) "Grocers and variety bag paper" means any unbleached kraft paper containing 90 percent or more of unbleached kraft fiber, 25 pounds basis weight and up shipped in rolls 26 inches or more in diameter made in standard grocers bag and variety bag sizes and basis weights for conversion into grocers bags or variety bags such as sacks, millinery, notion, garment, liquor bottle, shopping, etc.

(v) "Gumming paper" means any unbleached kraft paper, 35 pounds basis weight and up made for and specially sized and finished to the individual specifications of a manufacturer of gummed paper or gummed tape, in rolls 22 inches or more in diameter.

(vi) "Shipping sack (multiwall bag) paper" means any machine-finished unbleached kraft paper, containing 100 percent unbleached sulphate fiber, and made expressly for and to the individual specifications of a manufacturer of shipping sacks.

(vii) "Standard wrapping paper" means any unbleached kraft paper containing 90 percent or more of unbleached kraft fiber, 25 pounds basis weight or over, generally sold in the form of counter rolls and sheets or industrial rolls for miscellaneous wrapping.

(c) *Technical terms.* (1) "Base price" means the price before differentials or allowances are applied.

(2) "Basis weight" means the weight in pounds of 500 sheets 24 x 36 inches.

(3) "Machine finished" means any paper other than machine glazed.

(4) "Machine glazed (MG)" means any paper glazed on one side by drying on a Yankee drier machine.

(5) "Rolls":

(i) "Counter and industrial rolls" means small diameter rolls (usually 9 inches for counter and 12 to 18 inches for industrial) commonly used in retail stores and industrial plants for wrapping.

(ii) "Mill (jumbo) rolls" means large diameter rolls used by converters of unbleached kraft paper.

(6) "Substance" means the weight in pounds of 500 sheets 17 x 22 inches.

(d) *Geographical terms.* (1) "Northeast and Lake States" means all territory east of the Rockies and north of the southern tip of Ohio.

(2) "South and West" means all territory south of Ohio plus all territory west of the Rockies.

(3) "Export":

(i) "Export sale" means the sale of unbleached kraft paper to a person located outside the continental United States and which is shipped to the purchaser outside the continental United States, except shipments to U. S. Territories and possessions.

(ii) "Sale for export" means a sale to a buyer located in the continental United States of unbleached kraft paper destined for export and subsequent shipment, without resale, to any place outside the continental United States, except shipments to U. S. Territories and possessions.

This regulation shall become effective October 29, 1951.

NOTE: The reporting and record keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 23, 1951.

[F. R. Doc. 51-12848; Filed, Oct. 23, 1951; 4:00 p. m.]

[General Ceiling Price Regulation, Amdt. 3 to Supplementary Regulation 29]

GCPR, SR 29—CEILING PRICES FOR CERTAIN SALES AT RETAIL AND AT WHOLESALE

ADDITION OF CPR 72 TO SECTION 1

Pursuant to the Defense Production Act of 1950, as amended, (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 3 to Supplementary Regulation 29 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

Ceiling Price Regulation 72, which establishes ceiling prices for the sale of feftilizer and fertlizer materials by manufacturers in Puerto Rico, authorizes periodic adjustments of ceiling prices to reflect increases in current material costs. Ceiling prices for sales by fertilizer dealers continue, however, to be established under the General Ceiling Price Regulation. It is therefore to be anticipated that fertilizer dealers will sustain a squeeze in the price of fertilizer and fertilizer materials unless they are authorized to recalculate their ceiling prices.

Supplementary Regulation 29 to the General Ceiling Price Regulation, made

applicable to the territories by Amendment 2, modifies the General Ceiling Price Regulation wholesale and retail ceiling prices for sales of commodities, with certain exceptions, in order to reflect changes in manufacturers' prices under Ceiling Price Regulation 22 and other similar manufacturers' regulations listed in section 1. This section also states that additions to this list of regulations will be made from time to time as other manufacturers' regulations are issued. This amendment adds Ceiling Price Regulation 72 to the listed regulations in section 1 of Supplementary Regulation 29.

In the preparing of this amendment, the Director consulted with representatives of the industries affected to the extent practicable under the circumstances and gave consideration to their recommendations.

AMENDATORY PROVISION

1. The first paragraph of section 1 of Supplementary Regulation 29 to the General Ceiling Price Regulation is amended to read:

SECTION 1. *What this supplementary regulation does.* This supplementary regulation modifies General Ceiling Price Regulation wholesale and retail ceiling prices for sales of commodities other than those listed in section 2 of this regulation in order to eliminate the replacement squeeze and to reflect manufacturers' price changes under Ceiling Price Regulation 22 ("Manufacturers' General Ceiling Price Regulation") and the following similar manufacturers' regulations: Ceiling Price Regulation 30 ("Machinery and Related Manufactured Goods"); Ceiling Price Regulation 37 ("Primary Cotton Textile Manufacturers"); Ceiling Price Regulation 18, Revision 1 ("Manufacturers' Prices for Wool Yarns and Fabrics"); Ceiling Price Regulation 41 ("Shoe Manufacturers' "); Ceiling Price Regulation 72 ("Mixed Fertilizer and Fertilizer Materials Sold in Puerto Rico by Mixers and Packagers").

Effective date. This Amendment 3 to Supplementary Regulation 29 to the General Ceiling Price Regulation, is effective October 27, 1951.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 23, 1951.

[F. R. Doc. 51-12847; Filed, Oct. 23, 1951; 11:33 a. m.]

Chapter IV—Salary and Wage Stabilization, Economic Stabilization Agency

Subchapter B—Wage Stabilization Board

[Interpretations to General Wage Regulation 5, Revised]

GWR 5—ADJUSTMENTS FOR INDIVIDUAL EMPLOYEES

INTERPRETATIONS

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), Executive Order 10233 (16 F. R. 3503), and General Order No. 3, Economic Stabilization Administrator (16 F. R. 739), the following interpretations to General Wage Regulation 5, Revised (16 F. R. 7697, 8547) are hereby issued.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

NATHAN P. FEINSINGER,
Chairman.

QUESTIONS AND ANSWERS ON GENERAL WAGE REGULATION 5 AS REVISED, INCLUDING AMENDMENT 2

(These questions and answers are numbered consecutively under each appropriate section of the regulation)

SECTION 1

Question 1: What is the purpose of General Wage Regulation 5, as revised, including Amendment 2?

Answer: This regulation is designed to permit, without prior approval of the Wage Stabilization Board, adjustments in the rates of employees arising out of the day to day administration of wage and salary structures such as merit or length of service increases, promotions, transfers, changes in job content, hiring of new employees, and the like. The local offices of the Wage and Hour Division of the United States Department of Labor are authorized to assist the public and issue rulings on the interpretation and application of Wage Stabilization Regulations.

Question 2: May the adjustments which are permitted under this regulation be made apart from and in addition to general and cost-of-living increases which are made pursuant to other regulations of the Wage Stabilization Board?

Answer: Yes. The adjustments to individuals permitted by this regulation are apart from and in addition to general and cost-of-living increases permitted under other wage stabilization regulations. The permissibility of such adjustment assumes a bona fide determination that it is made for one of the purposes enumerated therein.

Question 3: Who is affected by this revised General Wage Regulation 5?

Answer: This regulation is intended to apply to all employers and their employees who are within the jurisdiction of the Wage Stabilization Board, and who are not specifically excluded from its provisions. For example, employees under the jurisdiction of the Construction Industry Stabilization Commission pursuant to General Wage Regulation 12 are not subject to General Wage Regulation 5.

Question 4: What is the effect of this revision upon General Wage Regulation 5, as amended, dated February 12, 1951?

Answer: This revised regulation repeals General Wage Regulation 5, as amended, dated February 12, 1951.

Question 5: What is the effect of the revision upon rulings which have been issued in response to specific inquiries, and interpretations which have been published for public information under the original regulation?

Answer: Adjustments which were properly put into effect prior to August 6, 1951, pursuant to the regulatory provisions in effect at the time they were instituted, but which would not be permissible under the terms of the revised regulation, may be continued in effect. However, such adjustments which cannot be made under the provisions of the new regulation may not be instituted after August 6, 1951, the effective date of the revised regulation. If there is any doubt as to whether a particular ruling is changed by the terms of the new regulation, a request for an additional ruling should be made through the local offices of the Wage and Hour Division of the United States Department of Labor. A forthcoming public Interpretation Bulletin will indicate those public interpretations which remain in effect.

Question 6: Does this new regulation have any effect on any of the other regulations, or upon rulings or interpretations under such regulations heretofore issued by the Board?

Answer: No.

Question 7: Several methods of payment are described and referred to in this regulation. What is the significance of setting forth these methods of payment?

Answer: In this regulation the Board recognizes that three fundamental methods of wage and salary payment are commonly used for employees paid on a time basis: the rate range method, the personal or random rate method, and the single rate method. Each employer should determine which of these methods most aptly describes his own system of wage and salary administration. The limitations set forth in this regulation differ with respect to each method of payment.

SECTION 2

Question 1: May merit or length of service increases be made under any other section of this regulation, or under any other regulation without the prior approval of the Wage Stabilization Board?

Answer: No.

Question 2: This section refers to increases to "an appropriate group of employees". What determines the appropriate "group"?

Answer: Section 1 (b) of the regulation defines the term "group" as "all the employees in a bargaining unit, plant or other establishment, department, job classification, labor or salary grade, wage rate or salary level, or other group of employees". This definition of "group" is intended to preserve the customary or historical practice in effect. It is not to be construed as requiring any departure from present logical or convenient wage and salary administration or record keeping. An employer may not set up artificially contrived groups.

Question 3: How may merit or length of service increases be made under section 2 where the rate range method of payment is employed?

Answer: Section 2 (a) provides three options under which merit or length of service increases may be made under the rate range method of payment: The past practice option, the six (6) percent option, and the granting of increases in accordance with an established plan in actual operation on January 25, 1951. Each option is clearly illustrated in section 2. Under none of the three options may a merit or length of service increase be granted to an individual employee if it will increase his rate above the maximum of the established rate range.

Question 4: Must an "established rate range", as used in the past practice and six (6) percent options, have been contained in a written schedule in effect on January 25, 1951?

Answer: Yes. Section 1 (d) of the regulation defines an "established rate range" as a range of rates for a job or job classification with clearly designated minimum and maximum rates (or which are established by specific formula) contained in a written schedule in effect on January 25, 1951. A written schedule may be evidenced by forms and records normally used to identify "the established rate ranges". Rate ranges may also be considered to be "established" under this regulation if they receive the specific prior approval of the Wage Stabilization Board.

The term includes rate ranges in effect on January 25, 1951, as properly revised under General Wage Regulations 6 or 8, and the interpretations thereunder.

Question 5: May merit or length of service increases be made without prior Board approval where the "personal or random rate method of payment" is employed?

Answer: Yes. Section 2 (b), as amended by Amendment No. 2 to General Wage Regulation 5, Revised, permits such increases to be made without prior Board approval.

Question 6: May merit or length of service increases be made under section 2 without prior Board approval where the "single rate method of payment" is employed?

Answer: No. The very nature of the single rate structure precludes merit and length of service increases and section 2 (c) specifically provides that merit and length of service increases may not be made without prior Board approval to employees in jobs or job classifications in which a single rate is paid and in which it had not on January 25, 1951, been the established practice to grant merit or length of service increases.

Question 7: A company pays half of its employees under the rate range method and the other half under the single rate method. May all of the employees be included in the same group for the purpose of granting merit or length of service increases under one of the options set forth in section 2 (a)?

Answer: No. There are two groups as defined in section 1 (b). Merit or length of service increases under section 2 (a) may only be made to the employees in jobs with established rate ranges. The employees in single rate classifications comprise a separate group and may not receive such increases without Board approval.

Question 7a: A company pays half of its employees under the single rate method and the other half under a random rate method. May all of the employees be included in the same group for the purpose of granting merit or length of service increases under section 2 (b)?

Answer: No. There are two groups as defined in section 1 (b). Merit or length of service increases under section 2 (b) may only be made to the employees where a random rate structure and method has been used.

Question 7b: A company pays half of its employees under the rate range method, and the other half under the ramdom rate method. May all of the employees be included in the same group for the purpose of granting merit or length of service increases under section 2 (a) and 2 (b)?

Answer: No. There are two groups as defined in section 1 (b). Merit or length of service increases to the group under the rate range method may be made under section 2 (a). Merit or length of service increases to the group under the random rate method may be made under section 2 (b).

Question 8: In the computation of straight-time rates, should shift differentials be included? For example, if an employee assigned to a third shift works at a base rate of $1.00 per hour, receives a shift differential of 8 cents per hour, is his straight-time rate under General Wage Regulation 5 $1.00 per hour, or $1.08 per hour?

Answer: Where the company has incorporated the shift differential into the rate, the calculation of straight-time rates may be based on the total rate, including the shift differential.

Where the company has not incorporated the shift differential into the rate, but it has been expressed as a percent of the rate, or a cents amount to be added to the rate, the calculation of straight-time rates must exclude the shift differential.

The answer in this example, therefore, would be $1.00.

Question 9: If an employer does not have straight-time rates readily available from his records as of the payroll period closest to the 15th of each month but does have such straight-time rates readily available as of some other period during each month, will a reasonable deviation from the requirements under General Wage Regulation 5 be authorized? For example, if total straight-time rates are readily available on the 1st of each month, can a weighted average of the totals as of February 1 and March 1 be used to substitute for total straight-time rates as of February 15?

Answer: Yes.

Question 10: May a company use the six (6) percent option even though it could not grant that amount under the past practice option?

Answer: Yes.

Question 11: May a company grant merit or length of service increases under the past practice option, or under the established plan option, even though the total amount of such increases for the group exceeds six (6) percent?

Answer: Yes.

Question 12: Must a company select the option which it will use before granting any merit or length of service increases?

Answer: No. It is not necessary to select the option in advance, but the total amount of merit or length of service increases granted to each group in any calendar year must be permissible under one of the options. Only one option is applicable to a group during each calendar year though in some instances merit increases may be within the past practice or six (6) percent options and length of service increases under option iii. (See example No. 4 in Question and Answer No. 27.) An establishment with several "groups" may follow different options for the groups provided no more than one option is used for any one group.

Question 13: Are merit or length of service increases which have been made in 1951 either before January 25, 1951, or under the provisions of the repealed General Wage Regulation 5 to be charged against the allowabe totals for the calendar year 1951 under the past practice and six (6) percent options?

Answer: Yes. All merit or length of service increases made during 1951 must be charged against the allowable totals for the calendar year under these options, except that increases granted during such period to trainees, part-time and temporary employees, learners and probationers and increases resulting from promotions or transfers of employees do not have to be included.

Question 14: Section 5 of this revised regulation provides that certain deferred increases to newly hired employees need not be considered merit or length of service increases for the purpose of the calculations under section 2. Between January 25, 1951, and August 6, 1951, increases were made which were permissible under the original General Wage Regulation 5, but which would not be considered merit or length of service increases under Section 5 of this regulation. Do such increases have to be charged against the allowable totals for the calendar year under the past practice and six (6) percent options?

Answer: No, so long as the increases which were made satisfy the provisions of the new section 5.

Question 15: Between January 1, 1951, and August 6, 1951, merit or length of service increases were granted to employees who thereafter quit, were promoted, were transferred, or were otherwise separated from their jobs. Are these increases to be charged against the allowable totals under the past practice and six (6) percent options?

Answer: Yes. All merit or length of service increases granted to such persons during the calendar year 1951 must be charged off against the allowable totals for the group of which the employee was a member at the time he received such increase. However, increases granted to trainees, part-time and temporary employees, learners and probationers and increases resulting from promotions or transfers of employees do not have to be included.

Question 16: What employees are covered by the provision, "Increases granted to trainees, part-time and temporary employees, learners, or probationers * * * shall not be charged against the allowable total"?

Answer: A "trainee" or "learner" for the purpose of this regulation is an employee who is a new employee on the particular job who is paid below the minimum of the established range of the job for which he is being trained, or below the rate for a single rated job, and is subsequently raised up to the minimum, or the job rate, in accordance with section 5 (e) of this regulation.

A "temporary" employee for the purposes of this regulation is one:

(1) whose tenure of employment is for a limited period of time, as may be defined in a collective bargaining agreement or evidenced by employment records, or

(2) who, though he is an employee of the company, is transferred from a job in a different "group" and it is the intention of the parties, at the time of the transfer, that the employee be transferred back to his original job within forty-five days.

A "part-time" employee under this regulation is an employee who, as part of the terms of employment, does not work the full scheduled hours or days of the group, and whose total hours of work per day or per week are appreciably less than the hours worked by other employees in the same or similar groups.

A "probationer" under this regulation is an employee whose rate is adjusted:

(1) Within forty-five days after a promotion or transfer to a higher paid job in accordance with the provisions of section 3 of this regulation, or

(2) Within thirty days after hiring in accordance with the provisions of section 5 of this regulation, or

(3) Under the provisions of section 5 (e), which permits individuals to be advanced to the minimum of the rate range, or the rate for the job at any time.

Question 17: May an employee who is paid on an incentive basis in a job or job classification with an established rate range receive a merit or length of service increase under the options set forth in section 2?

Answer: Yes.

Question 18: An employer has a group of office personnel, all of whom perform general clerical and stenographic duties, being paid at various rates from $50–$75 per week. Can this be considered an established rate range?

Answer: In the absence of a written schedule this must be considered to be a personal or random rate system. There would be an established rate range only if the employer had, on January 25, 1951, a written schedule of jobs or job classifications, with clearly designated minimum and maximum rates.

Question 19: May a company have an established rate range even though in isolated instances certain persons were employed at rates lower than the minimum and others were paid at rates higher than the maximum?

Answer: If the rate range is a properly established range, contained in a written schedule on January 25, 1951, the fact that a few isolated persons were paid rates outside the established range does not affect the validity of the rate range. Such rates are "red circle" rates and may not be considered as establishing a range other than that set forth in writing.

Question 20: A company has plants in different areas. The same job classifications exist at each plant, but the rate ranges vary. May the lowest and highest rate being paid in the plants be used as establishing a single overall rate range within which adjustments may be made without Board approval?

Answer: No. The company must treat the rate ranges in effect at each plant as the

proper rate ranges in applying General Wage Regulation 5.

Question 21: Does an employer paying a single rate to experienced employees and a lower rate to learners in the same job classification thereby have a rate range?

Answer: No. The hiring of new employees who are inexperienced at a lower rate than the job rate does not alone create a rate range.

Question 22: Must the schedule of rate ranges with clearly designated minimum and maximum rates for each job or job classification required under paragraph (a) (2) of option (iii) have been contained in a written agreement, statement, or notice on January 25, 1951?

Answer: Yes. In order to have an established plan under option (iii), the schedule of rate ranges must have been contained in written form on January 25, 1951.

Question 23: What constitutes a plan for length of service increases under option (iii)?

Answer: In order to qualify as a length of service plan under option (iii), a provision governing such increases must specify, in writing, the specific time intervals at which employees shall automatically become entitled to such increases.

Question 24: Must merit review plans in actual operation on January 25, 1951, contain in writing the intervals of time within which such reviews are to be made?

Answer: In order to qualify as a merit plan under option (iii), the plan must contain a written provision establishing a regular system for periodic reviews of each employee, groups of employees, or the plant as a whole. Examples which would satisfy this requirement are:

1. "Each employee shall be reviewed at six-month (or other designated period) intervals, counted from the date of his employment."

2. "The company shall review all of the employees in the plant on January 1, and July 1 (or other designated dates) of each year."

3. "No employee shall receive more than two (or other designated figure) merit increases in any one year."

4. "Merit increases may be granted to an employee in amounts not to exceed fifteen percent (or other designated figure) of his present rate, in each twelve-month period. Each employee's twelve-month period will begin with his date of hire."

These examples are furnished only to illustrate the types of clauses covered, and are not intended to establish standards as to what such a clause should contain.

Question 25: May a merit increase be made to an employee in advance of the normal period of review set forth in the plan under option (iii)?

Answer: Not without prior Board approval.

Question 26: An employer has a merit plan and established rate ranges qualifying under option (iii). He is unable to review the merit ratings of his employees at the exact time specified in the plan. May he make such review at any time after the time specified in the plan?

Answer: If the employer is unable to make the reviews at the precise time specified in the plan, he may make such reviews within a reasonable time thereafter.

Question 27: Must the plan contain in writing the maximum amounts or maximum percentages of merit or length of service increases in order to qualify under paragraph (a) (4) of option (iii)?

Answer: Yes. The application of this requirement is illustrated by the following examples:

1. "Employees in jobs which have rate ranges shall receive an automatic increase of five cents every four months (or other designated figure) from the minimum to the maximum of the rate range." This qualifies under paragraph (a) (4).

2. "A merit increase shall not exceed ten percent (or other designated figure) of the rate of the individual employee." This is a proper clause under paragraph (a) (4) so long as the increase does not bring the rate of the employee over the maximum of the rate range.

3. "Length of service increases will be granted in amounts of five cents every six months (or other designated figure) until the employee reaches the mid-point of the rate range, and in any amount thereafter, as shall be determined by merit reviews every six months." This provision may be operated under paragraph (a) (4) of option (iii) with respect to the length of service increases which bring the employee to the mid-point of the rate range. Merit increases may only be made under paragraph (b) of option (iii).

4. "Length of service increases of five cents (or other designated figure) per hour shall be made at the end of each year of employment. This is not intended to prevent the granting of such merit increases as the employer, in his discretion, may wish to make."

This clause may be operated with respect to length of service increases under paragraph (a) (4); but merit increases may not be made under option iii since no provision is made for normal review periods as required by paragraph (a) (3) of option iii. (See Question and Answer No. 24 above.)

Under this clause merit increases can be made under the past practice or six (6) percent options provided that all length of service increases granted to employees in the group during the calendar year are charged off against the permissible totals under these options.

5. "Each employee shall be reviewed every six months. If he receives a merit rating score of 90 or higher, he is entitled to the top rate of the labor grade. If he receives a score of 80–89, he is entitled to be placed at step 4 of the labor grade; 70–79, at step 3, etc." Such provision qualifies under paragraph (a) (4) so long as the employee rating point score plan is contained in writing, and so long as it is applied in the same manner as in the past.

6. "The average rate of the employees in the group shall not be raised more than five cents (or other designated figure) or above the mid-point of the rate range." This qualifies under paragraph (a) (4).

7. "Merit increases may be in such amounts as the employer may determine, but in no event to exceed the maximum of the established rate range." This does not qualify under paragraph (a) (4).

These examples are furnished only to illustrate the types of clauses covered, and are not intended to establish standards as to what such a clause should contain.

Question 28: May an employer make such increases as either amount or percentage increases?

Answer: The increases should be made in whatever form the plan provides.

Question 29: An employer has a merit or length of service plan and established rate ranges which were in actual operation on January 25, 1951, but such plan did not specify maximum amounts or maximum percentages of merit or length of service increases. He may grant merit or length of service increases under option (iii) within the limits of paragraph (iii) (b). In determining the respective averages under option (iii), paragraph (b), does he include merit or length of service increases made to employees who later quit, were thereafter promoted, transferred or otherwise separated from their jobs in the appropriate group?

Answer: Yes. Merit or length of service increases made to such employees in 1950 as well as during the current calendar year should be included in the calculation if the employee was a member of the group at the time such increase was granted.

Question 30: Under paragraph (b), option (iii), is the average amount to be determined by job classifications, labor grades, or other appropriate groups of employees?

Answer: The average described in this subsection should be calculated for each appropriate group of employees as defined in section 1 (b) of the regulation.

Question 31: Are merit or length of service increases made in 1951 before January 25, 1951, or under section 1 (e) of the repealed General Wage Regulation 5 included in determining the averages for the calendar year 1951 under paragraph (b) of option (iii) of the revised regulation?

Answer: Yes. Such increases should be included in determining whether the average increase for the group in the calendar year 1951 exceeds the average increase granted in that group in the calendar year 1950.

Question 32: In computing the average under paragraph (b), option (iii), may you calculate the averages for merit and length of service increases separately, or do you calculate one combined figure. For instance, if five employees got merit increases totaling $0.50 in 1950, and ten employees got length of service increases totaling $0.50 in 1950, can merit increases average $0.10 and length of service increases average $0.05 this year; or must you compute the average for both combined, being limited to an over-all average of $0.067? ($1.00 divided by 15).

Answer: If the plan provides for such increases to be treated together, the average should be computed for and is applicable to both combined. If the plan provides for such increases to be treated separately, the average should be computed for and is applicable to each type of increase separately.

Question 33: How do you compute the average percentages?

Answer: The exact weighted increases may be computed for the group, or, in the alternative, to simplify the calculation the employer may total all of the percentage figures upon which increases were made and divide by the number of employees who receive such increases. For instance, 5 employees received increases of 5 percent, and 10 employees received increases of 3 and one-half percent; 25 percent plus 35 percent equals 60 percent; 60 percent divided by 15 employees equals an average percentage of 4 percent. The method for 1950 and the current calendar year must be consistent.

Personal or Random Rate Method of Payment

Question 34: May an employer who uses the personal or random rate method of payment make merit or length of service increases under section 2 without Board approval?

Answer: Yes. Such employers may make merit or length of service increases within the limitations of section 2 (b).

Question 35: Is section 2 (b) applicable to employers who use the rate range method of payment? For instance, may such employer grant a merit increase to an employee at the maximum of the rate range under section 2 (b)?

Answer: No.

Question 36: Is section 2 (b) applicable where the single rate method of payment is employed?

Answer: No. The very nature of single rates precludes it.

Question 37: A company pays half of its employees under the rate range method, and the other half under the random rate method. May all of the employees be included in the same group for the purpose of granting merit or length of service increases under section 2 (a) and 2 (b)?

Answer: No. There are two groups as defined in section 1 (b). Merit or length of service increases to the group under the rate range method may be made under section

2 (a). Merit or length of service increases to the group under the random rate method may be made under section 2 (b).

Question 38: What limitations are set forth to govern the granting of merit or length of service increases under section 2 (b)?

Answer: Section 2 (b) provides, in paragraph 2:

1. A limit on the total amount of such increases which may be granted to each appropriate group of employees in any calendar year, and

2. A limit on the amount of such increases which each individual employee may receive in any calendar year.

Question 39: How do you compute the total amount which may be granted to a group under section 2 (b)?

Answer: Where it is desired to grant a total of merit or length of service increases based upon the corresponding percentage of such increases made to the same group in 1950, the calculations should be made in the same manner as set forth in option (i), section 2 (a).

Where it is desired to grant a total of merit or length of service increases so as not to exceed six (6) percent of the straight-time rates, the calculations should be made in the same manner as set forth under option (ii), section 2 (a).

Question 40: May an employer choose either the 1950 percentage, or the six percent figure, whichever is greater?

Answer: Yes.

Question 41: May an employer choose his 1948 or 1949 percentage figures?

Answer: No.

Question 42: What is the limit on the amount of merit or length of service increases which may be made to each individual employee under section 2 (b)?

Answer: Section 2 (b) provides that:

1. No individual employee shall receive more than ten (10) percent of his rate in merit or length of service increases during the calendar year.

2. The individual at the top of the group of random rates shall not receive more than five percent of his rate in merit or length of service increases during the calendar year.

3. In no event may an individual be raised to a rate above that being paid to the individual at the top of the group of random rates.

Question 43: Employee A was paid at a rate of $2.00 per hour on January 1, 1951. On March 1 he received a general increase of 10 cents per hour, which was properly reported under General Wage Regulation 6. It is now proposed to grant him the maximum merit increase to which he is entitled under section 2 (b). Assume that the top individual in the group of random rates is paid $2.50, what is the maximum merit increase that A may receive as a merit increase on October 1, 1951?

Answer: He may receive ten percent of $2.10 or $0.21. The ten percent figure is determined upon the rate of the employee at the time the increase is granted, inclusive of general increases which he has actually been paid since the start of the calendar year.

Question 44: Employee A, who was paid $2.00 on January 1, received a 10-cent merit increase on February 15, and in addition, a 10-cent general increase on June 1. What is the largest merit increase he may now receive under section 2 (b)?

Answer: He may receive 11 cents. The calculation of the ten percent limitation is based upon the rate of the employee at the time of the increase, including general increases, but excluding any merit or length of service increases granted to the employee during the current calendar year. However, since he may not receive more than a ten percent merit or length of service increase in a calendar year, the 10-cent merit increase he has already received must be deducted.

Question 45: May the amount of the increase to the individual employee be rounded off to the next whole cent or dollar if such has been the past practice?

Answer: Yes, so long as the past practice of the employer has been to make such increases in whole cent or dollar amounts.

Question 46: Employee A was the top compensated employee of the group until June 30, when B became top compensated employee, and because of a large general increase B's rate exceeded A's rate by at least ten percent. May A receive, on September 1, a ten percent merit increase if he has not received any merit or length of service increases during the calendar year?

Answer: Yes. The five percent limitation is only applicable if the employee is the top complensated employee at the time the increase is made.

Question 47: A, the top compensated employee, is paid $2.00; B is paid $1.95. On September 1 the employer decides that B is entitled to a merit increase. By how much can he raise B? Is it to $2.00, or to $2.10 ($2.00 plus the five (5) percent that A could have received)?

Answer: B can only be raised to $2.00, the actual rate of the top compensated employee at the time of the increase.

Question 48: Assume on November 1 A is raised to $2.10. Can B then be raised to $2.10? Can the payments be made retroactive to September 1?

Answer: B may be raised to $2.10 on November 1 if the merit increase is otherwise proper under section 2 (b). The payments may not be made retroactive to September 1.

Question 49: What records have to be kept by employers of increases made under section 2?

Answer: Records have to be kept for a period of three years of all merit or length of service increases made after January 25, 1951. This requirement applies to rate range and random rate establishments. The name of the employee, effective date of the increase, rate before and after increase, job title or job description, and maximum of the rate range must be clearly indicated. In the case of the random rate establishment, identification of the top compensated employee in the group of random rates should be indicated.

SECTION 3

Question 1: Under the rate range method of payment, may an employer promote or transfer an employee to a higher paid job on a trial basis but defer the adjustment in pay of the employee to the permissible rate within the range for such job until the trial period is completed?

Answer: Yes. Section 3 provides that such adjustment to the permissible rate within the range may be deferred for a trial period not to exceed 45 days. If the adjustment is made within that period, it need not be included as a merit or length of service increase in the computations under section 2. The 45-day period is determined on the basis of calendar days.

Question 2: At the time the employee is promoted or transferred he received an increase because of the promotion or transfer. Within 45 days the employer determines that the employee is entitled to a higher rate within the range because of his ability, experience, or training. Is this subsequent increase to the permissible rate a merit or length of service increase which must be calculated under section 2?

Answer: No. Section 3 (a) (1) permits such increase not to be considered a merit or length of service increase if made within forty-five days after the promotion or transfer.

Question 3: What types of promotions and transfers does section 3 (a) (3) cover?

Answer: This subsection is only applicable to temporary transfers and promotions to higher paid jobs. Such situations exist only where it is the intention of the parties at the time of the promotion or transfer that the employee will return to his former job within 45 days. If, at the end of 45 days, the employee is not returned to his former job, the promotion or transfer is deemed to be permanent for the purposes of this regulation. The 45 days are determined on the basis of calendar days.

Question 4: Where the company has a personal or random rate method of payment, how may bona fide promotions or transfers be made?

Answer: Where the company has such method of payment, an employee may be raised to a rate corresponding to the rates being paid or which have been paid by the employer to employees with comparable ability, experience, or training performing similar work. Section (3) (a) (4) provides, however, that in no event may such rate exceed the highest rate currently being paid to any employee performing similar work; or the rate paid to the person whom the newly promoted or transferred employee replaces, whichever is higher. Records of such increases must be kept by employers in the same manner as is described in section 3 (a) (b).

Question 5: Where a company has a "personal or random rate method of payment," and a promotion or transfer is made in accordance with the answer to Question 4 above, may the payment of the proposed adjustment be deferred for a trial period not to exceed 45 days?

Answer: In establishments which follow the personal or random rate method of payment, the employer may defer the payment of an increase to an employee because of a promotion or transfer to a higher paid job for a trial period not to exceed 45 days. Records are to be kept of such adjustments in the same manner as is required in section 3 (b).

Question 6: If a company operating on a nation-wide basis transfers an employee from one of its plants to another in which the established rate for this job is higher, may he be raised to the higher rate without Board approval?

Answer: Yes.

SECTION 4

Question 1: What is an established apprentice program which qualifies under section 4?

Answer: Established apprentice programs which may be operated under section 4 are (1) those registered on August 6, 1951, with the Bureau of Apprenticeship of the United States Department of Labor, or with a State apprenticeship agency recognized by the Bureau; (2) those contained in a collective bargaining agreement which was in effect on January 25, 1951; (3) other bona fide established apprentice programs which were in effect on January 25, 1951; (4) plans which provide for a rate progression not more rapid than apprenticeship standards which have been approved by the Federal Bureau of Apprenticeship or a State apprenticeship agency.

The Board has also, by special action taken on August 2, 1951, approved the operation of on-the-job training programs for veterans by allowing adjustments to be made without Board approval in accordance with "such training programs as have been or may be approved by the Administrator of Veterans' Affairs or by appropriate State approving agencies, as apprentice training programs, in conformity with statutory requirements and with established standards of the Veterans' Administration."

Question 2: May the apprentice programs enumerated in section 4 be changed or modified without prior Board approval?

Answer: An appropriate apprenticeship agency may alter the time intervals in a program meeting the requirements of section 4 but may not alter the established rates. In no event may an employer alter any terms of the program except to conform

to changes in time intervals made by an appropriate apprenticeship agency.

Question 3: May an employer who has never before had an apprentice program in his plant adopt a bona fide established program which qualifies under section 4?

Answer: Yes, so long as the program which he adopts is an established bona fide apprenticeship program which meets the requirements of section 4.

SECTION 5

Question 1: May an employer who uses the rate range method of payment hire an employee at the minimum rate of the rate range in accordance with section 5 (a) and then raise such employee within 30 days to a higher rate within the range because of his ability, experience or training without regarding it as a merit or length of service increase under section 2?

Answer: Yes. An increase made to an employee because of his ability, experience or training, which increased his rate above the minimum of the established rate range within a period not to exceed 30 days after he is hired shall not be deemed a merit or length of service increase. The 30-day period is determined on the basis of calendar days.

Question 2: When promotional increases are made within 45 days after a promotion and when probationary increases are made within 30 days after an employee is newly hired, do such increases have to be effective within those specified periods to avoid being deemed a merit or length of service increase or can such increases qualify if they are fully authorized prior to the time limit, to become effective at a later date? If they may become effective at a later date, may they be effective later than the payroll period immediately following the time limit expiration?

Answer: Such increases may be made effective not later than the payroll period immediately following the time limit expiration.

Question 3: May an employer who has an established rate range method of payment hire an employee at a rate below the minimum of the rate range, and subsequently raise such employee to the minimum? Is such increase considered a merit or length of service increase? Is there any time limit within which such increase up to the minimum must be made?

Answer: Section 5 (e) allows such increase to be made at any time, and it shall not be deemed a merit or length of service increase.

Question 4: May an employer who has an established rate range method of payment hire an employee at a rate below the minimum, and subsequently raise such employee above the minimum without considering it to be a merit or length of service increase?

Answer: If such employee is increased above the minimum of the range within the 30-day period because of his ability, experience, or training such increase shall not be deemed a merit or length of service increase.

If, however, the adjustment is made after 30 days, such adjustment shall not be deemed a merit or length of service increase with respect to the amount necessary to bring the employee up to the minimum; but must be considered a merit or length of service increase to the extent that such amount raises the employee above the minimum of the established rate range.

Question 5: Where an employer has in effect the "personal or random rate method of payment" what are the limitations within which a new employee may be hired?

Answer: A new employee in an establishment which has a personal or random rate method of payment may be hired at a rate corresponding to the rates being paid or which have been paid by the employer to employees with comparable ability, experience or training performing similar work. Section 5 (d) provides, however, that in no event may such rate exceed the highest rate currently being paid to an employee performing similar work; or the rate paid to the person whom the newly hired employee replaces, whichever is higher. Records as to the hiring of such employees shall be kept in the same manner as is required under paragraph 5 (b).

Question 6: May such a newly hired employee in an establishment with a personal or random rate method of payment receive an increase within a period not to exceed 30 days after hiring because of his ability, experience or training, in the same manner as is prescribed in paragraph (b)?

Answer: Yes.

Question 7: Is paragraph (c), which allows an employee to be paid at the same rate he was paid for similar work in another establishment applicable to establishments which employ the "personal or random rate method of payment" or the "single rate method of payment"?

Answer: No.

Question 8: New employees hired to work on jobs which are paid on an incentive basis are paid on an hourly basis until they achieve sufficient skill on the job, at which time they are changed to an incentive basis. May such practice be continued within the limitations of section 5?

Answer: Yes.

SECTION 6

Question 1: Job A has a rate of fifty dollars per week, and Job B has a rate of sixty dollars a week. The duties of both jobs have not substantially changed, but the employer now determines that the jobs are really of equal value, because the requirements of knowledge, skills, duties and responsibilities are the same. May the employer raise the rate of Job A to sixty dollars per week under Section 6 of General Wage Regulation 5, as revised?

Answer: No.

Question 2: Same facts as in Question 1, but the employer decides to change the title of "Job A" to "Job C", set the rate at sixty dollars and treat it as a new job under section 6. Is this permissible?

Answer: No. Such a change in title, where there is no significant change in job content, does not justify a higher rate under section 6.

Question 3: The union files a grievance, pursuant to a valid arbitration clause in effect on January 25, 1951, that Job X should be reclassified in Grade 5 rather than Grade 4 because of changes which have occurred since the original classification. The arbitrator sustains the grievance, and issues an award ordering the reclassification. May such a reclassification be made under section 6 without the prior approval of the Wage Stabilization Board?

Answer: Yes.

Question 4: Employee A has been with the same firm for several years performing the same job. However, because of his experience, he becomes more efficient in carrying out his assignments. Does this justify a change in the rate for the job?

Answer: No. This does not constitute a significant change in job content under section 6. The only adjustment which such employee may receive under General Wage Regulation 5 would be a merit or length of service increase under section 2.

SECTION 7

Question 1: What is the purpose of paragraph (b) of section 7?

Answer: Paragraph (b) is intended to permit adjustments in benefits which result from permissive adjustments in the compensation of employees, in accordance with the terms of insurance, welfare, and pension plans which were in effect on January 25, 1951. The institution of new plans, or the addition of new benefits for employees covered by existing plans are not governed by this provision, but by other regulations of the Wage Stabilization Board.

Question 2: What is the relationship between section 7 of General Wage Regulation 5 and General Wage Regulation 13?

Answer: Section 7 provides that auxiliary pay practices which were in effect on January 25, 1951, may be continued without Board approval. General Wage Regulation 13 governs the institution of certain kinds of new auxiliary pay practices not in effect on January 25, 1951, and increases in existing auxiliary pay practices, and sets forth the standards which the Board will consider in approving petitions for the installation or extension of such practices.

Question 3: What is meant by the phrase "most recently in effect" as used in section 7 (a)? Would a practice of paying a night shift differential of five (5) cents per hour to the second shift and ten (10) cents per hour for the third shift which was in effect during World War II qualify under this section?

Answer: Such a practice would qualify under section 7 (a) if the employer followed the same practice the last time that such type of work or working conditions existed in the plant. Therefore, if there have been no second or third shifts since he discontinued the practice during World War II, or if there has been work on such shifts since that time and he paid the five and ten cent differentials, such practice may be resumed. If, however, there has been work on such shifts for which no differential or a lesser differential was paid, the employer is deemed to have abandoned his practice, and it may not be resumed under section 7 (a).

SECTION 8

Question 1: What is the purpose of section 8?

Answer: Rates, rate ranges and auxiliary pay practices which are properly revised in accordance with other regulations and rulings of the Wage Stabilization Board may be substituted for the rates, rate ranges, and auxiliary pay practices in effect on January 25, 1951, for the purposes of General Wage Regulation 5, Revised.

Question 2: May rate ranges which are properly adjusted under General Wage Regulation 6 thereafter be used under this regulation?

Answer: Yes, so long as the adjustments are permissible under General Wage Regulation 6 and the interpretations issued thereunder.

SECTION 9

Question 1: What is the purpose of section 9?

Answer: Section 9 is designed to permit particular individual employees to be retained at their former rates in those situations where because of old age, disability, or the like, they can no longer perform the duties of their former jobs, or of other jobs valued at such rate.

Question 2: A new employee is hired for Job A which pays $2.00 per hour. After a few weeks on the job it is determined that he is not qualified to perform the job, and he is transferred to Job B, which has a rate of $1.75 per hour. May he be retained at the $2.00 rate under section 9?

Answer: No. Section 9 is not intended to apply in situations where the employee is for reasons other than old age, disability, and the like demoted to a lower paying job. In such other cases, the employer may retain the employee at the higher rate only to the extent it is required by the terms of a written collective bargaining agreement, or a written statement of policy, or a procedure, in effect on January 25, 1951.

Question 3: What is the status of employees who are permitted to retain their higher rates under the authority of section 9?

Answer: Such employees are considered to have so-called "red-circle rates" since they are paid at rates in excess of the maximum of the established rate range or the rate for the job. Such "red-circle rates" cannot have the effect of establishing a new maximum rate for such jobs. The employees would be ineligible for merit or length of service increases without prior Board approval.

[F. R. Doc. 51-12807; Filed, Oct. 22, 1951; 3:09 p. m.]

[Interpretations to General Wage Regulation 8, Revised]

GWR 8—Cost-of-Living Increases

INTERPRETATIONS

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82d Cong.), Executive Order 10161 (15 F. R. 6105), Executive Order 10233 (16 F. R. 3503), and General Order No. 3, Economic Stabilization Administrator (16 F. R. 739), the following interpretations to General Wage Regulation 8, Revised (16 F. R. 8740) are hereby issued.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Nathan P. Feinsinger,
Chairman.

Questions and Answers on General Wage Regulation 8, Revised

Question 1: If a company has a cost-of-living escalator clause or plan which was valid under General Wage Regulation 8 prior to the revision, may the employer continue to grant increases required by the clause or plan?

Answer: Yes. Increases required by the plan may be granted under section 2 of the revised regulation. Section 2 covers only those cost-of-living provisions which were within General Wage Regulation 8 prior to this revision.

Question 2: A cost-of-living provision is in effect which was agreed upon on or before January 25, 1951, and which was valid under General Wage Regulation 8, prior to the revision. May increases required by the provision be put into effect under section 2 of the revised regulation if the provision is based on an index other than the national adjusted series or the national old series of the Bureau of Labor Statistics Consumers' Price Index?

Answer: Yes. Increases under section 2 may be made on the basis of the index specified in the provision provided that such index was an index approved by the Board prior to the revised regulation.[1]

Question 3: If a collective bargaining agreement contains an escalator clause which meets the requirements of section 2, and the contract expires by its terms, may cost-of-living increases required by the new contract be granted under section 2?

Answer: If the new contract contains the identical escalator clause, adjustments required by the clause may be made under section 2 of the revised regulation. However, if the escalator clause is changed, the new clause may be put into effect only in accordance with section 3 of the revised regulation.

Question 4: A company has a cost-of-living plan which meets the requirements of section 2. Average straight time base period earnings under General Wage Regulation 6 for the appropriate unit were $1.50 per hour. Prior to January 26, 1951, a 5 cent general wage increase was granted. Cost-of-living increases put into effect prior to January 15, 1951 amounted to 5 cents. An additional 5 cent cost-of-living increase was put into effect in February based on the January 15, 1951, index.

Question (a): May the company now grant a general increase under General Wage Regulation 6?

Answer: No. The company must deduct from the amount of increase permissible under General Wage Regulation 6 (15 cents) the amount of general increase granted under General Wage Regulation 6 (5 cents) plus cost-of-living increases based on index changes on or before January 15, 1951 (10 cents).

Question (b): May the company continue to pay cost-of-living increases required by the plan?

Answer: Yes. Increases required by the plan may be paid even though they exceed the 10 percent permissible under General Wage Regulation 6.

Question 5: If increases are granted pursuant to section 3 of General Wage Regulation 8, Revised, must all employees in the unit get the same increase?

Answer: Yes. Increases must be applied across-the-board. Such increases can be granted either on a flat amount or percentage basis. If the increase is granted on a percentage basis, all employees in the unit must receive the same percentage of increase and the percentage increase may not exceed the percentage increase in the index. If the increase is granted on a flat amount basis, all employees in the unit must receive the same amount and the average percentage of increase may not exceed the percentage increase in the index.

Question 6: If increases are granted pursuant to Section 4 of General Wage Regulation 8, Revised, must all employees in the unit get the same increase?

Answer: Yes. Increases must be applied across-the-board if made without Board approval. Such increases can be granted either on a flat amount or percentage basis. If the increase is granted on a percentage basis, all employees in the unit must receive the same percentage of increase and the percentage increase may not exceed the percentage increase in the index. If the increase is granted on a flat amount basis, all employees in the unit must receive the same amount and the average percentage of increase may not exceed the percentage increase in the index.

If an employer or an employer and a union wish to distribute the increase in a manner other than described above, prior Board approval must be obtained before the increases are put into effect.

Question 7: May increases granted under section 3 or section 4 of General Wage Regulation 8, Revised, be rounded off to avoid fractional payments?

Answer: Increases granted may be rounded off in accordance with the employer's past practice, or may be rounded off to the next half-cent in the case of hourly paid workers, to the next quarter-dollar in the case of weekly salaried employees or to the next whole dollar in the case of monthly salaried employees, without prior approval of the Wage Stabilization Board.

Question 8: What are the requirements as to a cost-of-living provision under section 3?

Answer: 1. The provision must be in writing and must be contained in a written collective bargaining agreement or a written wage and salary plan.

2. The provision must specify an acceptable cost-of-living index. For these purposes only the Bureau of Labor Statistics National Consumers' Price Index for Moderate-Income Families in Large Cities (either adjusted or old series) will be acceptable after October 4, 1951, without prior Board approval. No other national and no local or regional index may be used without prior Board approval. The Board will consider in the special circumstances of a particular case the approval of the use of another index.

3. The provision must be applicable to an appropriate unit of employees. An appropriate unit of employees for the purposes of section 3 is the same as the appropriate employee unit under General Wage Regulation 6. It is the unit best adapted to preserve existing historical or contractual relationships.

4. The provision must establish a defined relationship between the wages and salaries covered by the provision and the acceptable index. The adjustments in wages required by the plan may not exceed the corresponding percentage increase in the acceptable index.

5. The provision must require downward as well as upward adjustments. However, the provision need not require downward adjustments below the wages and salaries in effect at the time of the adoption of the provision.

6. The provision must specify the time intervals at which wages are to be changed with changes in the cost-of-living index, e. g., monthly, quarterly, or semiannually.

7. The adjustments required by the plan must be granted on an across-the-board basis.

8. The provision must specify whether the adjustments are to be made in equal amounts or equal percentages to all employees in the appropriate unit.

Question 9: If a cost-of-living escalator provision under section 3 meets the requirements specified in Answer 8 above, how may the amount or percentage of permissible increase be calculated?

Answer: An employer, or an employer and a union as the case may be, who wishes to grant an increase under section 3 will:

(1) Determine the appropriate base date for the acceptable cost-of-living index. This base date shall be the most recently available published index number as of the date the escalator provision is adopted or, if the escalator provision is made retroactively effective in accordance with the answer to Question 19 below, the most recently available published index number as of the retroactive date. In no event, however, may the base date of the index be prior to January 15, 1951.

In any case in which an adjustment under section 4 is made before the adoption of an escalator provision under section 3, the base date used for the section 3 escalator provision may not be an index dated before the date of the index used in making the section 4 adjustment. (See example under Question 19.)

(2) All subsequent cost-of-living wage adjustments under section 3 shall be computed on this base index figure.

(3) Calculate the percentage rise in the index between the appropriate base date, as determined above, and the last available published index number which corresponds to the date when the adjustment is required under the escalator provision.

(4) The wage base date from which the increase in wages is to be measured shall be the payroll period which includes the base date of the applicable cost-of-living index. The unexpended balance, if any, of the amount of increase available under General Wage Regulation 6 may be added to the base period earnings.

(5) If the provision specifies that wage adjustments are to be made in equal amounts to all employees in the unit, apply the percentage rise in the cost-of-living index between the base date and the date when the adjustment is required under the escalator provision to the average straight-time hourly earnings (including the unexpended balance of the increase permissible under

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[1] However, with respect to increases under sections 3 and 4, see Questions 8 and 10.

General Wage Regulation 6) in the appropriate unit as of the wage base data. Deduct any wage increases made in accordance with the escalator provision since the wage base date. The net figure is the additional amount to be distributed to each employee in the unit.

(6) If the provision specifies that wage adjustments are to be made in percentage terms, apply the percentage rise in the cost of living between the base date and the date when the adjustment is required under the escalator provision to the wage rates or average straight-time hourly earnings, as the case may be, as of the wage base date. The unexpended balance of the increase permissible under General Wage Regulation 6 may be included in the wage base rates or earnings. Deduct any wage increases made in accordance with the escalator provision since the wage base date. The net amounts are the additional amounts to be applied to the wage rates or average straight-time earnings as the case may be.

Example 1. A company and a union adopted a cost-of-living escalator provision on September 21, 1951, which provides for a cents per hour adjustment based on changes in the national Consumers' Price Index, adjusted series, published by the Bureau of Labor Statistics. The provision requires a quarterly adjustment which will increase base period earnings by the same percentage as the percentage increases since the base period in the Index. The last available Index figure as of the time the provision was adopted, was the Index for August 15, 1951, which was 185.5 and the average straight time earnings of the appropriate unit of employees for the payroll period which included August 15, 1951, were $1.50 per hour. The full 10 percent increase available under General Wage Regulation 6, has been exhausted.

(a) As of the date of the first adjustment required by the provision, the Index was 187.5. The first adjustment would be calculated as follows:

1. The Index has risen 2 points since the base period which is a rise of 1.078 percent (2/185.5).

2. The cents per hour adjustment to be granted to each employee in the unit is equal to 1.078 percent of $1.50 or 1.6 cents[2] per hour.

(b) As of the date of the second adjustment required by the provision, the Index was 189.5. The second adjustment required by the provision would be calculated as follows:

1. The Index has increased 4 points over the base Index which is an increase of 2.156 percent (4/185.5).

2. 2.156 percent of $1.50 is equal to 3.2 cents per hour.

3. Since the employees are already receiving a cost-of-living increase of 1.6 cents per hour, they will now receive an additional 1.6 cents per hour. If, however, they have previously received 2 cents by reason of rounding off the previous increase, this 2 cents must be deducted from 3.2 cents.[2]

(c) As of the date of the third adjustment required by the provision the Index was 188.5. The third adjustment should be calculated as follows:

1. The Index is 3 points or 1.617 percent (3/185.5) above the base Index.

2. 1.617 percent of $1.50=2.4 cents per hour.

3. Since the employees are receiving 3.2 cents per hour as a cost-of-living adjustment, a wage decrease of 0.8 cent per hour is required to reflect the decline in the cost of living.

Example 2. A company and a union wish to adopt a cost-of-living escalator provision providing for a monthly adjustment in cents per hour and they wish to devise a formula stating a cents-point relationship between wages and the Bureau of Labor Statistics' National Consumers' Price Index, old series. The last available Index of the Consumers' Price Index, old series, is the Index for August 15, 1951, which was 185.6. Average straight time earnings for the appropriate unit of employees for the payroll period which included August 15, 1951, were $1.40 per hour. The full 10 percent increase available under General Wage Regulation 6 has been exhausted.

The cents-point relationship should be calculated as follows:

1. A 1 cent increase in average earnings would be an increase of 0.714 percent (1/140).

2. A 0.714 percent rise in the Index would be a rise of 1.33 points.

3. Therefore, the provision may require adjustments, upward and downward, of 1 cent for each 1.33 point rise or fall in the Index.

Example 3. A company, or a company and a union, adopts a cost-of-living escalator provision based upon the Bureau of Labor Statistics' National Consumers' Price Index, adjusted series, which requires the same percentage adjustment in rates as the percentage increase or decrease in the Index. Adjustments are to be made quarterly. The last available index figure at the time of the adoption of the provision, was the index for August 15, 1951, which was 185.5. The rate in effect during the payroll period which included August 15, 1951, for job "A" was $1.10 per hour. The rate in effect for job "B" was $1.50 per hour. The full 10 percent increase available under General Wage Regulation 6 has been exhausted.

(1) As of the time of the first adjustment required by the provision the Index was 187.5.

(a) The percentage increase in the Index is equal to 1.078 percent (2/185.5).

(b) A 1.078 percent increase in job "A" requires an increase of 1.2 cents (1.078 percent of $1.10). The increase in job "B" is 1.6 cents (1.078 percent of $1.50).

(c) Employees performing job "A" will now be paid $1.112[2] per hour, and employees performing job "B" will be paid $1.516[2] per hour.

(2) As of the time of the second adjustment required by the provision, the Index was 189.5.

(a) The percentage increase since the index base is equal to 2.156 percent (4/185.5).

(b) A 2.156 percent increase in job "A" requires an increase of 2.4 cents (2.156 percent of $1.10). The increase required in job "B" is 3.2 cents (2.156 percent of $1.50).

(c) Employees performing job "A" will now be paid $1.124[2] per hour and employees performing job "B" will now be paid $1.532[2] per hour.

(3) As of the time of the third adjustment required by the provision, the Index was 188.5.

(a) The percentage increase since the index base is equal to 1.617 percent (3/185.5).

(b) A 1.617 percent increase in job "A" requires an increase of 1.8 cents (1.617 percent of $1.10) over the rate base. The increase over the rate base required in job "B" is equal to 2.4 cents (1.617 percent of $1.50).

(c) A reduction in wages is required because of the decline in the cost of living index since the last adjustment. Employees performing job "A" will now be reduced from $1.124 to $1.118 per hour and employees performing job "B" will now be reduced from $1.532 to $1.524[2] per hour.

Example 4. A company or a company and a union wish to adopt a cost-of-living escalator provision requiring a percentage adjustment in rates and wish to calculate a percentage-point relationship between wage rates and the Bureau of Labor Statistics National Consumers' Price Index, adjusted series. The last available index is the index for August which was 185.5. The percentage-point relationship should be calculated as follows:

(a) A 1-percent increase in the index over the index base would be a rise of 1.855 points.

(b) The provisions may require a 1 percent adjustment in rates in effect during the payroll period which included August 15, 1951, for each rise or fall of 1.855 points in the Index. The provision may provide that rates shall not be decreased below those in effect on August 15, 1951.

Example 5. An appropriate unit of employees is paid on a piece rate basis. The employer and the employer and the union wish to adopt a cost-of-living escalator provision based upon the Bureau of Labor Statistics National Consumers' Price Index, old series. The last available index is the index for August 15, 1951, which was 185.6. Average straight time hourly earnings for the unit for the payroll period which included August 15, 1951, were $1.25 per hour. A flat amount increase could be calculated in accordance with Example 1 or Example 2 which could be granted in addition to piece rate earnings or could be incorporated into rates in accordance with past practice. As an alternative, the provision could provide for a percentage adjustment of the piece rates in effect during the base period in accordance with Example 3 or Example 4. However, if the adjustment is incorporated into the piece rates, piece rates may be rounded off, without prior Board approval, only in accordance with past practice.

Example 6. The company or the company and the union wishes to adopt a cost of living provision based upon the National Consumers' Price Index, adjusted series, published by the Bureau of Labor Statistics. Increases are to be granted in equal amounts to all employees in the unit. The last available index figure of the National Consumers' Price Index, adjusted series, is the index figure for July 15, 1951, which was 185.5. The company, or the company and the union, also wishes to grant an increase under section 4 to compensate for the rise in the cost of living from January 15, 1951, to July 15, 1951. Average straight time hourly earnings for the payroll period which included July 15, 1951, were $1.37. As of that payroll period an increase of 10 cents per hour was available under General Wage Regulation 6.

The increases authorized by section 3 should be calculated as follows:

(1) Determine the amount of increase to be put into effect under section 4. This amount should be calculated in accordance with the answer to Question 10, below. This amount is 3 cents per hour.

(2) The unexpended balance as of the base period of the increase authorized by General Wage Regulation 6 (10 cents) plus the amount of increase authorized by section 4 of General Wage Regulation 8, Revised (3 cents) may be added to the base period earnings ($1.37) making the adjusted base period earnings $1.50.

(3) A 1 cent increase in the adjusted earnings would be an increase of 0.667 percent (1/150).

(4) A 0.667 percent rise in the index would be a rise of 1.2 points.

(5) Therefore, the provision may require adjustments of 1 cent for each 1.2 point rise or fall in the index.

Question 10: How is the amount of the increase permitted by section 4 to be calculated?

Answer: An employer, or an employer and a union as the case may be, who wishes to grant an increase under section 4 will:

1. Specify an acceptable cost-of-living index. For these purposes only the Bureau of Labor Statistics National Consumers' Price Index for Moderate Income Families in Large Cities (either the adjusted or old series) will be acceptable on or after October 4, 1951, without prior Board approval. No other national and no local or regional index may be

[2] Increases may be rounded off in accordance with the Answer to Question 7.

used without prior Board approval. The Board will consider in the special circumstances of a particular case the approval of the use of such other index. When an employer has selected either series, he shall continue to use that series in the application of section 4.

2. Determine the appropriate unit of employees which is the same unit as the appropriate unit under General Wage Regulation 6. It is the unit best adapted to preserve contractual or historical relationships.

3. For the initial adjustment under section 4, calculate the rise in the Consumers' Price Index between January 15, 1951, and the date of the index to be used in making the initial adjustment. The index to be used is the most recently available published index number as of the date of the adjustment unless the increase is made retroactive in accordance with the answer to Question 19, below. In such case the index to be used is the last index number dated before the effective date of the increase. The initial adjustment may be made at any time (provided that no increase has been put into effect following Board approval which exceeds the amount permissible under General Wage Regulation 6 and no petition for such an increase is pending). Subsequent adjustments may be made not more frequently than every six months thereafter.

4. Determine whether the increase is to be granted in cents per hour across-the-board or by applying a percentage to all rates or average straight-time hourly earnings as the case may be. If a cents per hour across-the-board increase is to be granted, the percentage shall be applied to the current straight-time hourly earnings of the appropriate group of employees. If a percentage method is adopted, the percentage shall be applied to the current rates or average straight-time hourly earnings as the case may be.

Example 1. An employer or an employer and a union wish to grant increases under section 4 based upon the Bureau of Labor Statistics National Consumers' Price Index, adjusted series. The last available index is the index for July 15 which was 185.5. The index for January 15, 1951, was 181.5. The increases are to be granted in cents per hour across the board. The average straight time hourly earnings of the unit for the last regular payroll period were $1.50. The amount of increase permissible under section 4 should be calculated as follows:

(1) The percentage rise in the index is 2.204 percent (4/181.5).

(2) 2.204 percent of current straight time hourly earnings is 3.3 cents.

(3) Each employee may now receive an increase of 3.3 cents.[2]

Example 2. Assume the same facts as in example 1 above except that the employer, or the employer and the union, wish to grant a percentage increase. Current straight-time hourly rates of the employees in the appropriate unit vary from $1.00 to $1.75 per hour. Employee "A" is paid at the rate of $1.00 per hour; Employee "B" is paid at the rate of $1.50 per hour; Employee "C" is paid at the rate of $1.75 per hour. The increase permissible under section 4 should be calculated as follows:

(1) The percentage rise in the index is 2.204 percent (4/181.5).

(2) Each employee will now receive an increase in his current straight time hourly rate of 2.204 percent.

(3) 2.204 percent of $1.00 is 2.2 cents; 2.204 percent of $1.50 is 3.3 cents; 2.204 percent of $1.75 is 3.9 cents.

(4) Employee "A" will now receive $1.022;[2] Employee "B" will receive $1.533;[2] Employee "C" will receive $1.789.[2]

Question 11: May an employer, or an employer and a union, petition the Board for approval to use an index of the cost of living under section 4 other than the national indices of the Consumers' Price Index of the Bureau of Labor Statistics?

Answer: Yes, the Board will consider in limited and special circumstances of a particular case the use of another index.

Question 12: An employer, or an employer and a union, wish to adopt an escalator clause under section 3. The most recent available index is the index for August 15, 1951. May the parties agree to an increase under section 4 to reflect the cost-of-living increase from January 15, 1951, to August 15, 1951?

Answer: Yes.

Question 13: It is agreed to adopt and put into effect a cost-of-living provision under Section 3 on September 25, 1951. First, however, the rise in cost of living from January 15, 1951 to August 15, 1951, is to be granted under Section 4. May this increase under section 4 be added to the average straight time hourly earnings to be used as the base earnings under the provision?

Answer: Yes. Any adjustment properly made under section 4 and the amount, if any, of the increase available as of the base period under General Wage Regulation 6, may be added to base period earnings for the purposes of computation even though such increases had not been made effective as of the base period.

Question 14: A collective bargaining agreement was reopened on September 17, 1951. As of that date the last available index was the index for July 15, 1951. The index for August 15, 1951, was published prior to the time when the new agreement was signed. May the new agreement provide for cost-of-living adjustments under Section 3 based on the July 15, 1951, index and July 15, 1951 average straight-time earnings?

Answer: Yes. However, if the July 15, 1951, index is chosen, that index must be used in calculating any increase granted under section 4.

Question 15: May the amount or percentage of increase permitted by section 3 or section 4 be applied to commission rates?

Answer: No. The Wage Stabilization Board is currently studying the problem of the application of General Wage Regulations 6 and 8 to commission rates. Until such time as the Board's policy is determined, the increases permitted by sections 3 and 4 may not be applied to commission rates.

Question 16: Prior to January 26, 1951, employees in an appropriate unit were granted general wage increases in excess of 10 percent of base period earnings. May cost-of-living increases now be granted under a provision which meets the requirements of section 3 or section 4?

Answer: Yes. Increases may be put into effect under section 3 or section 4 even though the amount of increase available under General Wage Regulation 6 was exceeded by increases prior to January 26, 1951.

Question 17: Must increases granted under section 3 or section 4 be offset against the amount of increase available under General Wage Regulation 6?

Answer: No. The increases authorized are in addition to the increases authorized by General Wage Regulation 6.

Question 18: A company has a cost-of-living plan which meets section 2, but which requires an adjustment in wages in an average amount or percentage which is less than the percentage increase in an acceptable cost-of-living index. May the company now abandon its plan and grant increases pursuant to section 3 or section 4?

Answer: Yes. If the plan is amended the plan will be considered a new plan under section 3. Increases within the amount authorized by section 4 may be granted without amending the plan.

Question 19: Under what circumstances may increases granted under General Wage Regulation 8, Revised, be put into effect retroactively without prior Board approval?

Answer: A. Subject to the qualifications contained in parts B and C of this answer, the policy of the Board with respect to retroactivity of wage increases granted under General Wage Regulation 8, Revised, is similar to that which is applicable to wage increases granted under General Wage Regulation 6, and may be summarized as follows:

1. With respect to employees represented by a collective bargaining representative, wage increases may be made retroactive to any date not earlier than the expiration date of the prior contract; or the date upon which the contract was reopened pursuant to its terms; or, if a voluntary reopening, the date upon which negotiations began pursuant to the agreement to reopen; or if there was no prior contract, the date of certification or recognition of the union.

2. Increases granted to employees who are not represented by a union may be made retroactive to any date not earlier than the date that the increase was formally determined and communicated to the employees.

3. In cases where parties have agreed on a retroactive date not within the above standards, the parties may petition the Board for approval of such retroactive date. The Board will consider such cases on the basis of historical practice and other relevant factors.

B. When a retroactive date is selected on the basis of the above standards, the amount of increase which can be paid as of that effective date may be computed as follows:

1. Under section 3, the amount or percentage of increase applicable to each escalator adjustment period may be calculated on the basis of the last index figure which was in fact available on the effective date of the escalator adjustment. For example, if December 1, 1951, is the effective date of the escalator adjustment, the amount of increase would be computed on the basis of the October 15 index number. The November 15 index number may not be used because it was not in fact available on December 1.

2. Under section 4, the last index number dated before the effective date of the increase may be used to determine the amount or percentage of increase which can be paid as of that date. For example, if December 1, 1951, is the effective date of the increase under the standards in A above, the amount of increase to be paid as of that date may be computed on the basis of the November 15 index number.

C. An increase granted under section 3 or section 4 may not be made retroactive to a date earlier than February 16, 1951. An increase granted under section 4 may not be made retroactive to a date which is less than 6 months after the date of the last wage increase made under section 4.

Example. A company and a union reopened their contract on October 1, 1951, and began negotiations on that date. On November 1, 1951, an agreement was reached which provided for (a) an increase to compensate for the increase in the cost of living since January 15, 1951; (b) a cost of living escalator clause requiring monthly adjustments. Increases are to be granted in equal amounts to all employees in the unit and are to be based upon the National Consumers' Price Index, old series, published by the Bureau of Labor Statistics.

(a) The increase under section 4 to compensate for the rise in the cost of living since January 15, 1951 may be made effective as of October 1, 1951, the date upon which the contract was reopened. (See par. A. 1, above.) The September 15, 1951, index number may be used to calculate the permissible amount of increase. (See par. B. 2, above).

(b) The September 15, 1951, index number may be used as the index base for the escalator clause under section 3. (The base date for the escalator clause may not be a date earlier than the date used in calculating

[2] Increases may be rounded off in accordance with the answer to Question 7.

the section 4 adjustment.) The amount of each adjustment required by the escalator provision must be calculated on the basis of the last published index number available on the date of the adjustment and an adjustment may not be made effective on a date prior to the date of publication of the index. On the facts stated, the first adjustment could not be made effective on a date earlier than the date upon which the index for October 15, 1951, is published.

Question 20: If a cost-of-living adjustment is put into effect under section 4 and if after the adjustment the cost-of-living index declines, must wage rates be adjusted to reflect the decline in the cost of living?

Answer: No. Unlike section 3, section 4 does not require downward adjustment.

Question 21: If a petition is pending before the Board or if the Board has approved increases in excess of the 10 percent increase authorized by General Wage Regulation 6, may increases be granted without prior Board approval under section 4 of General Wage Regulation 8, Revised?

Answer: No.

Question 22: The Wage Stabilization Board has approved increases for a unit of employees which exceed by 1 percent the amount of increase authorized by General Wage Regulation 6. May increases now be granted under section 4 of General Wage Regulation 8, Revised, to employees in this unit if this 1 percent is first deducted from the amount of increase authorized by General Wage Regulation 8, Revised?

Answer: In such a case, no increase may be granted under section 4 of General Wage Regulation 8, Revised, without prior Board approval.

Question 23: A company and a union have pending before the Board a petition for a wage increase in excess of the amount of increase authorized by General Wage Regulation 6. They now find that the amount of increase petitioned for is within the amount of increase authorized by section 4 of General Wage Regulation 8, Revised. May increases now be put into effect pursuant to section 4 of General Wage Regulation 8, Revised?

Answer: If a petition is pending before the Board, no increase may be put into effect under section 4 of General Wage Regulation 8, Revised. However, the company and the union may withdraw their petition and upon receipt of notification that the petition is no longer pending before the Board, increases may be put into effect under that section.

Question 24: A collective bargaining contract entered into on November 1, 1950, provides that a 5 cent per hour deferred increase is to become effective in November of 1951. May cost-of-living increases be granted pursuant to section 4 of General Wage Regulation 8, Revised?

Answer: A cost-of-living increase may be put into effect pursuant to section 4, only if there is no petition pending before the Board and no petition has been approved by the Board for an increase which exceeds the 10 percent increase authorized by General Wage Regulation 6.

Question 25: If a petition is pending before the Board or if the Board has approved a petition for an increase which exceeds the 10 percent increase authorized by General Wage Regulation 6, may increases be granted without prior Board approval in accordance with a provision which meets the requirements of section 3 of the General Wage Regulation 8, Revised?

Answer: Yes.

Question 26: If cost-of-living increases are granted pursuant to General Wage Regulation 8, Revised, may job rates or rate ranges be adjusted?

Answer: If a cost-of-living provision is in effect which meets the requirements of section 3 or section 4, rates or the minima and maxima of rate ranges may be increased in the same amount as the amount of the across-the-board increase required by the plan. However, a cost-of-living provision under section 3 must provide for upward and downward adjustments of rates or the minima and maxima of rate ranges. If an increase is granted in accordance with section 4, rates or the minima and maxima of rate ranges may be increased by the same amount as the amount of across-the-board increase granted.

Question 27: May varying amounts of increase be applied to different rates, rate ranges, or to the minimum and maximum of a rate range provided that the average amount of increase is within the amount authorized by General Wage Regulation 8, Revised?

Answer: No. The same amount must be applied uniformly across the board.

[F. R. Doc. 51-12808; Filed, Oct. 22, 1951; 3:09 p. m.]

PROPOSED RULE MAKING

DEPARTMENT OF THE TREASURY

Bureau of Customs

[19 CFR Part 24]

RATE OF COMPENSATION FOR OVERTIME NIGHT SERVICE

Notice is hereby given, pursuant to section 4 of the Administrative Procedure Act (5 U. S. C. 1003), that it is proposed to amend § 24.16 (g), Customs Regulations of 1943 (19 CFR 24.16 (g) which fixes the rate of extra compensation under section 5 of the act of February 13, 1911, as amended, and section 451 of the Tariff Act of 1930, as amended (19 U. S. C. 261, 267, 1451) for night services performed by customs employees. The terms of the proposed amendment, in tentative form, are as follows:

The purpose of the following amendment is to eliminate possible excessive and discriminatory payments to customs employees and collections from parties in interest of extra compensation for overtime services under section 5 of the act of February 13, 1911, as amended, and section 451 of the Tariff Act of 1930, as amended (19 U. S. C. 261, 267, 1451). The regulations provide that, if an overtime assignment is after the expiration of the first 4 hours and before the beginning of the last 2 hours of a night, there shall be allowed 4 hours' compensable time in addition to the period between the time the employee is assigned and reports for duty and the conclusion of the services. The word "night" is defined as not including any time within the 24 hours of a Sunday or holiday, and it is provided that the night hours at the end of a regular workday immediately preceding a Sunday or holiday and the night hours at the beginning of the next regular workday shall be considered as parts of a single night. Thus, payment is now required to be made and reimbursement collected for 4 hours of additional compensable time in connection with night overtime services of relatively short duration on assignments immediately preceding or following periods of service on a Sunday or holiday for which extra compensation is payable at the rates prescribed for Sunday or holiday services.

For the purpose of correcting this situation, § 24.16 (g), Customs Regulations of 1943 (19 CFR 24.16 (g)), is hereby amended by inserting after the second sentence the following: "However, if an employee performs Sunday or holiday services which are in continuation of an assignment to overtime services begun during the last 2 night hours at the end of the regular workday preceding such Sunday or holiday, the compensable time for the overtime services preceding the Sunday or holiday shall be 2 hours; or if an employee performs overtime services during the night hours at the beginning of the next regular workday following a Sunday or holiday which overtime services are in continuation of an assignment begun on the Sunday or holiday immediately preceding such regular workday, the compensable time for the overtime services following such Sunday or holiday shall be the period between midnight of such Sunday or holiday and the conclusion of the overtime services."

(R. S. 161, sec. 5, 36 Stat. 901, as amended, sec. 451, 46 Stat. 715, as amended, sec. 624, 46 Stat. 759, sec. 6, 49 Stat. 1385, as amended; 5 U. S. C. 22, 19 U. S. C. 261, 267, 1451, 1624, 46 U. S. C. 382b)

Prior to the issuance of the proposed amendment, consideration will be given to any relevant data, views, or arguments pertaining thereto which are submitted in writing to the Commissioner of Customs, Bureau of Customs, Washington 25, D. C., and received not later than 20 days from the date of publication of this notice in the FEDERAL REGISTER. No hearing will be held.

[SEAL] FRANK DOW,
Commissioner of Customs.

Approved: October 12, 1951.

E. H. FOLEY,
Acting Secretary of the Treasury.

[F. R. Doc. 51-12745; Filed Oct. 23, 1951; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 932]

[Docket No. AO-33-A17]

HANDLING OF MILK IN THE FORT WAYNE, IND., MARKETING AREA

DECISION WITH RESPECT TO A PROPOSED MARKETING AGREEMENT AND A PROPOSED ORDER AMENDING THE ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of

1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900), a public hearing was conducted at Fort Wayne, Indiana, on June 21 and 22, 1951, pursuant to notice thereof which was issued on June 13, 1951 (16 F. R. 5776).

Upon the basis of the evidence introduced at the hearing and the record thereof the Assistant Administrator, Production and Marketing Administration, on September 21, 1951, filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on September 27, 1951 (16 F. R. 9816).

Exceptions filed to the aforesaid recommended decision were fully considered along with the evidence in the record in making the findings and conclusions contained herein: To the extent that these findings and conclusions or the order amending the order which is a part of this decision are at variance with the exceptions, such exceptions are denied for reasons set forth in the findings and conclusions. Rulings on proposed findings and conclusions contained in the aforesaid recommended decision are confirmed.

The material issues of record related to:

(1) Combining Class I and Class II into a single class at the Class I price and naming concentrated milk in Class I.

(2) An increase in the Class I price differentials.

(3) A supply-demand adjustment of the Class I price based on the ratio of producer milk receipts to Class I utilization.

(4) The classification of butterfat and skim milk disposed of to manufacturers of soup, candy and bakery products.

(5) The classification of butterfat and skim milk disposed of to a plant not operated by a handler.

(6) A change in the dates on which reports, price announcements and payments are required.

(7) Provision for certain qualifications to be met by a handler whose milk is to be included in the pool computations.

Findings and conclusions. The following findings and conclusions on the material issues are hereby made upon the basis of the record of the hearing:

1. Class I and Class II should be combined in a single class (Class I) at the Class I price, and Class III should be redesignated as Class II.

Producers proposed that Class II, primarily fluid cream, be combined with Class I at the Class I price. It was shown that all products now in Class II must be made from Grade A milk and are subject to the same health requirements as milk for fluid consumption. It was stated that at the time cream was originally classified as Class II, the health requirements were less rigid with respect to milk used for cream. The additional cost to handlers, based on April prices, was estimated to be 73 cents per hundredweight of 20 percent cream. The increased return to producers resulting from the proposal was estimated to be about one cent per hundredweight on all producer milk.

In view of the fact that all Class II products must be made from Fort Wayne approved Grade A milk, it is concluded that milk used in these products (cream, cream mixtures and eggnog) should be classified and priced the same as milk disposed of for fluid consumption. It was testified that aerated cream may be made from manufactured milk and milk used in this product should therefore be classified and priced the same as milk used in other manufactured dairy products.

It was also testified by a health department representative that milk used in concentrated milk would be required to meet Grade A standards. This product should therefore be named in Class I. A number of conforming changes throughout the order are necessary in connection with reducing the number of use classes from 3 to 2.

2. The Class I price differential should be increased 25 cents in all months except April, May and June.

Producers proposed an increase of 15 cents in the Class I price differential in the months of April, May and June and an increase of 25 cents in all other months. It was shown that differentials added to the basic formula price to determine the Class I price in each of the competing markets of Toledo, Detroit, Lima, Indianapolis, and Cleveland exceed those provided in the Fort Wayne order. In the fall and winter months these excesses over the Fort Wayne differentials ranges from 15 cents to 75 cents. In the months of May and June, however, this difference ranges from 15 cents to 30 cents, except in the case of Detroit in which market there is no seasonal variation in the Class I price differential. In April the differentials in the other markets named range 25 cents to 40 cents above Fort Wayne, again excepting Detroit.

The main problem to be dealt with here is obtaining a re-alignment of prices in this market with prices prevailing in surrounding markets; it is especially important that a proper relationship be established with the Cleveland market. An appropriate alignment can best be attained by increasing the differential 25 cents per hundredweight in the July through March period. No increase is indicated in the April to June period because prices are already in proper relationship with the Cleveland price during that period. Competition from other markets from April to June is slight and does not indicate that any further adjustment in differentials should be made for the purpose of attaining intermarket price alignment.

The trend of producer milk receipts at Fort Wayne in relation to market needs is difficult to determine because of a change in the marketing area on June 1, 1950. Since that date, however, there appears to have been a gradual decline in the number of producers supplying the market. A decreasing supply of milk in relation to demand in 1951 is indicated by the ratio of producer milk used in Class III. In the first 4 months of 1950, 43 percent of producer milk was utilized as Class III. During the corresponding period of 1951 only 23 percent of producer milk was so used. Testimony indicates that handlers have resorted to the payment of premiums above order prices in order to hold producers and to encourage production. An increase in the demand for milk in Fort Wayne, and a decrease in the nearby supply due to Grade A milk requirements of the smaller cities have resulted in enlarging the Fort Wayne milkshed. This has brought Fort Wayne handlers into direct competition with handlers in other cities in procuring milk. The higher prices which prevail in the competing markets have made it impossible for Fort Wayne handlers to maintain or increase their supply of producer milk except by the payment of premiums over order prices. It is concluded that an increase in Class I price differentials of 25 cents for all months, other than April, May and June is necessary to insure an adequate supply of pure and wholesome milk. Such an increase should provide a Class I price level which will permit securing and holding a supply of milk in competition with surrounding markets.

3. Provision should be made for automatically adjusting Class I prices in response to changes in the ralationship between market supply and demand.

Although the present provisions for establishing Class I prices have usually resulted in appropriate prices, conditions have arisen in the past which necessitated hearings to amend such provisions in order to keep supply in proper alignment with demand. Such a procedure is time consuming and it is expected that the proposed amendment will tend toward the need for fewer hearings because of more prompt and timely automatic adjustments in these prices.

It is difficult to predict with accuracy whether the market will be adequately supplied with milk in the forthcoming fall and winter. If the market is adequately supplied, the proposed amendment will have little or no effect on Class I prices, but if the supply is short the proposed amendment will increase Class I prices and be an incentive for a larger supply. Assurance to producers that prices will be changed promptly in response to any change in the relationship between market supply and demand for milk should encourage them to continue to supply milk to the market.

It is concluded that the measure of the current relationship between market supply and market demand should be based on the ratio of gross Class I utilization to total receipts from producers in a two month period comprising the first and second months preceding the month for which a price is being computed. (The term "Class I utilization" as used herein refers to Class I as proposed to be amended pursuant to this decision.) Many factors affect market supply and demand, but gross Class I utilization and total receipts from producers reflect the net effect of all these factors. Extension of recent changes appears to be the most accurate means of estimating current and prospective supply and demand conditions.

Use of a two month period is desirable in order to reflect quickly any changes in supply or demand. However, an adjustment based on a short period of this kind may to some extent reflect random changes in utilization which are not indicative of actual trends. It is necessary, therefore, to provide for some method of stabilizing this adjustment and of limiting it as to total magnitude. This has been accomplished by grouping the utilization percentages and setting limits on the amount of the adjustment. The percentage groups are in such intervals that no utilization adjustment occurs until utilization is 3 or 4 percentage points above or below the standard utilization. The next percentage group applies to utilization differences of 6 or 7 percent. In the case of any utilization difference falling between groups, the adjustment amount is determined by the adjacent group which is the same as or nearest to the percentage group used in the previous month. For example, a utilization difference of 5 percent from the standard would call for use of the group which includes 3 or 4 percent if the adjustment during the previous month had been determined by that group or a lower one. On the other hand, a 5 percent utilization difference would call for an adjustment based on 6 or 7 percent if the adjustment during the previous month had been determined by the 6 and 7 percent group or a higher one. The maximum adjustments provided for are 25 cents, 38 cents and 50 cents per hundredweight.

Use of the first and second preceding months will permit announcement each month of the effect on Class I prices of these provisions not later than the 13th day of the month to which it applies.

It was proposed at the hearing that the relationship between gross Class I utilization and receipts from producers in the month for which a price is being computed be used as a measure of current supply and demand conditions. Thus the supply-demand adjustment, and, accordingly, the Class I price, could not be computed until handlers' reports of receipts and utilization had been received and market receipts and Class I utilization tabulated. Handlers could not make many of the computations that they now make in that report.

Use of one month as proposed to reflect changes in the market supply and demand relationship would likely result in price fluctuations not justified by market conditions. It is doubtful if the lag occasioned by using the first and second months preceding the month for which a price is being computed to measure changes in the market supply-demand relationship will be great enough to disrupt the effectiveness of the automatic price adjustments sought.

The provisions for adjusting Class I and Class II prices should be constructed in such a manner that no price adjustment results when market supply and demand are in proper balance—that is, when the market is adequately supplied. Representatives of producers and of handlers testified that adequate supplies for the market would not exist in any month in which gross Class I utilization is more than 80 percent of total receipts from producers. According to this measure, supplies were inadequate during four months in the last year. During the month in which supplies were lowest (November 1950) only about four percent of the gross Class I and Class II utilization was milk from sources other than producers. In that month gross Class I and Class II utilization was equal to 95 percent of total receipts from producers. (Since this decision proposes that Classes I and II be combined, Classes I and II in past periods must be combined to be comparable with the proposed Class I utilization.) If receipts from producers in November 1950 had been larger by the amount of other source milk classified in Classes I and II, gross Class I and Class II utilization would have equalled about 88 percent of total receipts from producers.

It is concluded that in the month of shortest supply, November, the market would be adequately supplied if gross Class I utilization is not more than 88 percent of total receipts from producers, or if total receipts from producers exceed gross Class I utilization by 14 percent or more. Analysis of the seasonal variation in the ratio between gross Class I utilization and receipts from producers indicates that with a ratio of 88 percent in November the ratio during the other months of the year should normally be about as follows:

January	80	July	58
February	76	August	64
March	70	September	76
April	65	October	86
May	55	November	88
June	54	December	84

A similar ratio (computed from these figures) for each two month period during a year would be as follows:

Two-month period, ratio (percent), and month during which such ratio would be used in computing class I price

January–February (78), March.
February–March (73), April.
March–April (68), May.
April–May (60), June.
May–June (54), July.
June–July (56), August.
July–August (61), September.
August–September (70), October.
September–October (81), November.
October–November (87), December.
November–December (86), January.
December–January (82), February.

If the comparable ratio in the first and second months preceding the month for which prices are being computed varies from those shown above, the price should be adjusted in the same direction—upward if the current ratio exceeds the one shown above, and downward if the reverse is true. For each percentage point of variation, the Class I price should change as follows: 2 cents upward and 4 cents downward during each of the months of April through July; 3 cents during each of the months of August, September, January, February and March; and 4 cents upward and 2 cents downward during each of the months of October through December. Analysis of Class I prices and the ratio of gross Class I utilization to total receipts from producers shows that in recent years the proposed adjustment would have resulted in reasonable prices. It should continue to do so. Seasonally varying adjustments should give additional incentive toward reducing the seasonal variation in receipts from producers.

4. Butterfat and skim milk disposed of to manufacturers of soup, candy, and bakery products should be classified in Class II (presently Class III) during the months of January through September. Skim milk disposed of to such manufacturers is presently so classified but butterfat is classified in Class I.

Handlers who wish to make such dispositions of milk contend that they are at a competitive disadvantage because orders regulating the handling of milk in surrounding markets classify both butterfat and skim milk in such milk in a class with milk used in other manufactured dairy products.

It is not likely that the proposed classification would result in any diversion of milk from a higher to a lower class in months when the market supply is more than adequate. In view of the possibility of such diversion during the months of shortest supply, October, November, and December, butterfat and skim milk disposed of to manufacturers of soup, candy, and bakery products should be classified in Class I during these months.

5. The provisions relating to classification of milk, skim milk, or cream disposed of by a handler to a nonfluid milk plant not operated by the handler should be revised to permit classification of such milk on the basis of utilization of milk in a second nonfluid milk plant not operated by the handler. The order does not now specifically permit classification on the basis of such utilization. The extent to which producer milk would be transferred by a handler to a nonfluid milk plant not operated by the handler and then to a second such nonfluid milk plant is likely to be small. Accordingly, any increase in the job of verification of such utilization by the market administrator should be slight. The proposed change will permit more flexibility in the disposition of producer skim milk and butterfat to nonfluid milk plants.

The time presently allowed for the operator of a nonfluid milk plant who receives producer milk from a handler to submit his written certification of the utilization of such milk should be extended to twenty days after the end of the delivery period during which the transfer occurred. The time presently allowed is entirely inadequate in many instances. This extension of time will not interfere with effective administration of the order.

6. The date on which handlers are required to submit monthly reports of receipts and utilization to the market administrator should be extended by two days (to the 7th day after the end of the delivery period). The time presently allowed for submission of such reports has proven inadequate, especially when a week-end and a holiday fall within that time. Handlers have had considerable difficulty meeting the time requirement and on many occasions have not been able to do so.

In order not to reduce the time presently allowed for the market adminis-

trator to compute and announce the uniform price and for handlers to make final payments to producers, the dates by which such announcement and payments are required to be made should also be extended two days—to the 13th and the 17th day of the month, respectively.

7. Handlers should be required to dispose of certain minimum amounts of milk on routes operating in the marketing area or to fluid milk plants if their milk is to be included in the pool computations.

Producers proposed that a handler disposing of less than 20 percent of his total receipts of producer milk on routes operating in the marketing area as Class I milk be exempt from all except the reporting, records and facilities, and administrative expense provisions of the order.

It was pointed out that a person may qualify as a handler by operating a fluid milk plant from which one bottle of milk is disposed of each month in the marketing area, other than to a milk plant. Any volume of approved milk may then be disposed of as Class III from the plant and included in the Fort Wayne pool. While it was not claimed that anyone has taken advantage of this provision to pool an unduly large amount of Class III milk, it was stated that certain persons are in a position to do so, and that such opportunity should be removed. In opposition to the proposal, it was claimed that one or more handlers serve the market by carrying a supply of milk which is made available to other handlers in the season of short supply when needed for Class I uses, and which is manufactured at other times. Handler status is maintained by such a handler by disposal of a relatively small amount of milk from a route. The proposal would force such a handler to withdraw from the market or to engage in route disposition on a much more extensive scale.

The order provides opportunity for bringing into the Fort Wayne pool large quantities of Class III milk without obligation to make available milk for Class I use. The proposal would place a reasonable obligation on a fluid milk plant operator by requiring route disposition of at least 20 percent of the milk received from producers before permitting the pooling of all approved milk in the plant. It was not shown, however, that a handler who in the short season supplies to handlers operating fluid milk plants a substantial proportion of the milk he receives from producers should also be required to dispose of 20 percent of the milk so received on routes before his milk may be pooled. However, such a handler should be required to furnish a minimum amount of milk to other handlers in the short supply months, if his approved milk is to be pooled throughout the year. The movement to fluid milk plants of a quantity of milk equivalent in product pounds to 50 percent or more of the amount of milk received from approved farms in each of three of the four months of October, November, December, and January, appears to be a reasonable requirement for pooling throughout the year. This requirement could be met without supplying any milk for the market in one of those four months. Therefore, some method is needed to determine pool status month by month during this four-month period.

It is concluded that a handler shall not be subject to the pooling provisions of the order, (1) in any month in which he disposes of less than 20 percent of the milk received from dairy farmers approved by the health authorities in the marketing area as Class I milk on routes operating wholly or partially within the marketing area; (2) in any of the months of February through September unless in each of three of the four immediately preceding months of October through January he disposed of at least 50 percent of the milk received from approved dairy farmers to another fluid milk plant as Class I milk; or (3) in any of the months of October through January in which he disposes of less than 20 percent of the milk received from approved dairy farmers to another fluid milk plant as Class I milk.

Any handler who establishes pool status for the year by moving the required portion of his milk to fluid milk plants in the short season should be allowed to withdraw his plant from the pool any time during the year by notifying the market administrator of his intentions in advance. Once a plant is so withdrawn, it should not be eligible for pool status again until the following October when it must meet the requirements explained above.

The most feasible way of incorporating these pooling requirements in the order appears to be to define as a pool plant any plant which meets such requirements. With a pool plant definition a fluid milk plant definition is not needed, and a definition for nonpool plant should replace the definition for nonfluid milk plant. Conforming changes in the handler definition and certain other provisions of the order are necessary.

Handlers who do not meet the above requirements should be subject to the reporting and records and facilities provisions of the order to permit the market administrator to verify their status. They should also be subject to the expense of administration provisions, since the market administrator will be required to perform certain duties with respect to such milk.

Any handler whose milk is excluded from the pool computations, but who disposes of some Class I milk in the marketing area either on a route from his plant or to another fluid milk plant, should be required to make certain payments into the producer-settlement fund on milk so disposed of. Since the order would not establish prices which such a handler is required to pay for milk so disposed of, the possibility would be present (in the absence of the payments herein concluded to be necessary) for such a handler to buy milk cheaper than handlers who are subject to all provisions of the order. The exempt handler might obtain a supply of milk at or slightly above the manufacturing price of milk. It is, therefore, concluded that handlers exempt from certain provisions of the order as herein described should pay to the producer-settlement fund with respect to Class I milk disposed of to a fluid milk plant or on a route operated wholly or partially within the marketing area from his plant the difference between the value of such milk at the Class I price and its value at the Class II price. Such payment will prevent an exempt handler from having a competitive advantage over other handlers in the cost of milk supplies.

Payment of such amounts into the producer-settlement fund results in distributing such payments to all producers in the market. This is appropriate because any Class I sales made by an exempt handler will displace producer milk which otherwise would supply such sales.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply and demand for milk in the marketing area and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Determination of representative period. The month of August 1951 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of an order amending the order, as amended, regulating the handling of milk in the Fort Wayne, Indiana, marketing area in the manner set forth in the attached amending order is approved or favored by producers who during such period were engaged in the production of milk for sale in the marketing area specified in such marketing order, as amended.

Annexed hereto and made a part hereof are two documents entitled respectively "Marketing Agreement Regulating the Handling of Milk in the Fort Wayne, Indiana, Marketing Area," and "Order Amending the Order, as Amended, Regulating the Handling of Milk in the Fort Wayne, Indiana, Marketing Area," which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That the full text of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory

provisions of said marketing agreement are identical with those contained in the order, as amended, and as hereby proposed to be further amended by the attached order which will be published with this decision.

This decision filed at Washington, D. C., this 19th day of October 1951.

[SEAL] CHARLES F. BRANNAN,
Secretary of Agriculture.

Order[1] *Amending the Order, as Amended, Regulating the Handling of Milk in the Fort Wayne, Indiana, Marketing Area*

§ 932.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Fort Wayne, Indiana, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of the feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area and the minimum prices specified in the said order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial and commercial activity, specified in a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Fort Wayne, Indiana, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. Amend § 932.9 by changing the term "milk, skim milk, buttermilk, flavored milk, or flavored milk drink in fluid form" as it appears therein to read "Class I milk."

2. Amend § 932.10 (a) to read as follows:

(a) Any person with respect to all skim milk and butterfat received at (1) a pool plant operated by him; (2) a nonpool plant operated by him during any delivery period within which a route is operated from such plant wholly or partially within the marketing area; or (3) a nonpool plant operated by him during any delivery period within which skim milk or butterfat is transferred as Class I milk to a pool plant; or

3. Amend §§ 932.10 (b), 932.11 and 932.62 by changing the term "fluid milk plant" wherever it appears therein to read "pool plant."

4. Amend §§ 932.10 (b) (2), 932.11 932.30 (a) (2) and 932.40 (b) by changing the term "nonfluid milk plant" appearing therein to read "nonpool plant."

5. Amend § 932.12 to read as follows:

§ 932.12 *Pool plant.* "Pool plant" means any milk processing or distributing plant other than the plant of a producer-handler approved by the Fort Wayne Board of Health (a) during any delivery period within which the total combined amount of skim milk and butterfat disposed of as Class I milk on a route (or routes) operated wholly or partially in the marketing area from such plant is equal to 20 percent or more of the total volume of milk received at such plant during such delivery period from dairy farmers having certification issued by the Fort Wayne Board of Health to produce milk for disposition within the marketing area in the form of fluid milk;

(b) During any of the delivery periods of October, November, December and January within which the total combined amount of skim milk and butterfat transferred as Class I milk to a pool plant described in paragraph (a) of this section in the form of milk is equal to 20 percent or more of the total volume of milk received by such transferor during such delivery period from dairy farmers having certification issued by the Fort Wayne Board of Health to produce milk for disposition within the marketing area in the form of fluid milk; or

(c) During each of the delivery periods of February through September 1952 if during each of any two of the delivery periods of November and December 1951 and January 1952 the total combined amount of skim milk and butterfat transferred as Class I milk to a pool plant described in paragraph (a) of this section in the form of milk was equal to 50 percent or more of the total volume of milk received by such transferor during such delivery period from dairy farmers having certification issued by the Fort Wayne Board of Health to produce milk for disposition within the marketing area in the form of fluid milk; and during each of the delivery periods of February through September of any year after 1952 if during each of any three of the next preceding four consecutive delivery periods October, November, December and January the total combined amount of skim milk and butterfat transferred as Class I milk to a pool plant described in paragraph (a) of this section in the form of milk was equal to 50 percent or more of the total volume of milk received by such transferor during such delivery period from dairy farmers having certification issued by the Fort Wayne Board of Health to produce milk for disposition within the marketing area in the form of fluid milk: *Provided,* That any plant which is a pool plant pursuant to this paragraph shall become a nonpool plant during any delivery period immediately following the delivery period within which the operator of such plant notifies the market administrator in writing on or before the 10th day of his intention that such plant shall become a nonpool plant, and such a plant shall not again be a pool plant pursuant to this paragraph until the following February; and the market administrator shall notify each cooperative association which causes milk to be delivered to such plant and each producer delivering to such plant who is not a member of a cooperative association at least 10 days prior to the first day of the first delivery period during which such plant is to be a nonpool plant of the handler's intention that such plant shall become a nonpool plant.

6. Amend § 932.16 to read as follows:

§ 932.16 *Nonpool plant.* Any milk processing or distributing plant shall be a "nonpool plant" in any delivery period in which it is not a pool plant.

7. Amend § 932.22 (h) by changing the term "10th day" appearing therein to read "12th day."

8. Amend § 932.22 (j) (2) and § 932.72 by changing the term "11th day" appearing therein to read "13th day."

9. Amend § 932.30 by changing the term "5th day" appearing therein to read "7th day."

10. Amend § 932.30 (a) (1) by deleting therefrom the phrase "at a fluid milk plant."

11. Amend § 932.30 (b) and § 932.46 (a) (1) and (4) by changing the term "Class III milk" appearing therein to read "Class II milk."

12. Amend that portion of § 932.31 (b) which precedes subparagraph (1) thereof to read as follows:

(b) On or before the 22d day after the end of each delivery period each handler who operates a pool plant shall submit to the market administrator such handler's producer payroll for the preceding delivery period, which shall show.

13. Amend § 932.40 (a) by deleting therefrom the phrase "at his fluid milk plant,".

14. Amend § 932.41 to read as follows:

§ 932.41 *Classes of utilization.* Subject to the conditions set forth in § 932.-

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders have been met.

43 and § 932.44, the skim milk and butterfat described in § 932.40 shall be classified by the market administrator on the basis of the following classes:

(a) Class I milk shall be all skim milk (including reconstituted skim milk) and butterfat:

(1) Disposed of in fluid form as (i) milk, skim milk, buttermilk, flavored milk, or flavored milk drinks (except as provided in paragraph (b) (2) and (3) of this section); (ii) cream or as any mixture containing cream and milk or skim milk (not including ice cream mix disposed of pursuant to paragraph (b) (4) of this section or any product disposed of in containers or dispensers under pressure for the purpose of dispensing a whipped or aerated product); or (iii) eggnog;

(2) Used to produce concentrated milk disposed of for fluid consumption; or

(3) Not specifically accounted for as any product specified in subparagraphs (1) and (2) of this paragraph or as Class II milk.

(b) Class II milk shall be all skim milk and butterfat:

(1) Used to produce a milk product other than those specified in paragraph (a) (1) and (2) of this section;

(2) Dumped or disposed of for livestock feed as skim milk, flavored milk, flavored milk drinks, or buttermilk;

(3) Disposed of during any of the delivery periods of January through September as bulk milk, skim milk, or cream to any manufacturer of candy, soup, or bakery products who does not dispose of milk in fluid form;

(4) Disposed of as ice cream mix to a commercial processor;

(5) In actual plant shrinkage of producer milk computed pursuant to § 932.42, but not in excess of 2 percent thereof; or

(6) In actual plant shrinkage of other source milk computed pursuant to § 932.42.

15. Amend § 932.44 to read as follows:

§ 932.44 *Disposition to milk plants.* Skim milk and butterfat disposed of by transfer or diversion from a pool plant to another plant shall be classified as follows:

(a) As Class I milk if disposed of to a pool plant of another handler in the form of milk, skim milk, or cream unless utilization in Class II is mutually indicated in writing to the market administrator by both handlers on or before the 7th day after the end of the delivery period within which the transaction occurred: *Provided,* That skim milk and butterfat so assigned to Class II shall be limited to the amount thereof remaining in such class at the plant of the transferee handler after the subtraction of other source milk pursuant to § 932.46 (a) (2) and (b); and any excess of such skim milk or butterfat, respectively, shall be assigned to Class I.

(b) As Class I milk if disposed of to a producer-handler in the form of milk, skim milk, or cream.

(c) Except as provided in paragraph (d) of this section, as Class I milk if disposed of to a nonpool plant not operated by the handler in the form of milk, skim milk, or cream unless (1) the handler claims Class II on the basis of a utilization mutually indicated in writing to the market administrator by both the transferring handler and receiver on or before the 20th day after the end of the delivery period within which such transfer occurred; (2) such receiver's plant or another nonpool plant to which such receiver transferred milk, skim milk, or cream had actually used during the delivery period in which such milk, skim milk, or cream was received not less than an equivalent amount of skim milk and butterfat in the use mutually indicated in writing by the transferring handler and the receiver; and (3) the receiver or the operator of any other nonpool plant in which utilization is claimed as a basis for classification maintains books and records showing the utilization of all skim milk and butterfat at his plant, which books and records are made available if requested by the market administrator for the purpose of verifying such utilization: *Provided,* That if upon inspection of such books and records the market administrator cannot verify Class II utilization, that portion of skim milk or butterfat for which such utilization cannot be verified shall be classified in Class I.

(d) As Class I milk if disposed of in the form of milk to a plant located 100 miles or more from the City Hall in Fort Wayne, Indiana, by the shortest highway distance as determined by the market administrator; and

(e) Producer milk disposed of by a handler to a nonpool plant operated by such handler shall be classified according to its utilization in such nonpool plant or pursuant to paragraphs (a), (b) and (c) (except for the reference to paragraph (d) therein) of this section if it is transferred from such nonpool plant to another plant: *Provided,* That if the use in or transfer from the nonpool plant of such handler is in conjunction with other source milk, producer milk shall be allocated first to the available quantity of Class II milk and any remaining balance of producer milk shall be allocated to Class I.

16. Amend §§ 932.45, 932.46 (c) and 932.80 (b) by changing the term "Class I milk, Class II milk, and Class III milk" appearing therein to read "Class I milk and Class II milk."

17. Amend § 932.46 (a) (1) by changing the reference "§ 932.41 (c) (5)" appearing therein to read "§ 932.41 (b) (5)."

18. Amend § 932.51 to read as follows:

§ 932.51 *Class I milk prices.* Subject to the provisions of § 932.54 and § 932.55 the minimum price per hundredweight, on a 4.0 percent butterfat content basis, to be paid by each handler for producer milk received and classified as Class I milk shall be the basic formula price computed pursuant to § 932.50 adjusted as follows:

(a) Add (1) $0.60 during each of the delivery periods of April, May and June; (2) $1.15 during each of the delivery periods of October, November and December; and (3) $1.00 during each of the other delivery periods.

(b) Add or subtract a "supply-demand adjustment" computed as follows:

(1) Divide the total gross volume of Class I milk in the first and second delivery period preceding by the total volume of producer milk for the same delivery periods multiply the result by 100, and round to the nearest whole number. The result shall be known as the "Class I utilization percentage."

(2) Compute a "net utilization percentage" by subtracting from the Class I utilization percentage as computed in subparagraph (1) of this paragraph the "standard utilization percentage" shown below:

Delivery period for which the class price is being computed:	*Standard utilization percentage*
January	86
February	82
March	78
April	73
May	68
June	60
July	54
August	56
September	61
October	70
November	81
December	87

(3) Determine the amount of the supply-demand adjustment as follows:

If net utilization percentage is—	Supply-demand adjustment for specified delivery periods is—		
	Jan., Feb., Mar., Aug., and Sept.	Apr., May, June, and July	Oct., Nov., and Dec.
	Cents	*Cents*	*Cents*
+12 or over	+38	+25	+50
+9 or +10	+28	+19	+38
+6 or +7	+20	+13	+26
+3 or +4	+10	+7	+14
+1 or −1	0	0	0
−3 or −4	−10	−14	−7
−6 or −7	−20	−26	−13
−9 or −10	−28	−38	−19
−12 or −13	−38	−50	−25
−15 or −16	−38	−50	−31
−18 or −19	−38	−50	−37
−21 or −22	−38	−50	−43
−24 or under	−38	−50	−50

When the net utilization percentage does not fall within a tabulated bracket, the adjustment shall be determined by the adjacent bracket which is the same or nearest to the bracket used in the previous month.

19. Delete § 932.52 and § 932.53 and substitute therefor the following:

§ 932.52 *Class II milk prices.* Subject to the provisions of § 932.54 and § 932.55 the minimum price per hundredweight, on a 4.0 percent butterfat content basis, to be paid by each handler for producer milk received and classified as Class II milk shall be the basic formula price.

20. Delete § 932.54 (b) and (c) and substitute therefor the following:

(b) *Class II milk.* Multiply by 1.15 the average daily wholesale price per pound of 92-score butter in the Chicago market as reported by the Department during the delivery period and divide the result by 10.

21. Amend § 932.71 (a) to read as follows:

(a) Combine into one total the values computed pursuant to § 932.70 and the

amounts computed pursuant to § 932.84 (a) for all handlers who made reports prescribed by § 932.30 except those in default of payments prescribed in § 932.84 for the preceding delivery period.

22. Amend § 932.80 (a) and § 932.85 by changing the term "15th day" wherever it appears therein to read "17th day."

23. Amend §§ 932.80 (b), 932.86 and 932.87 (a) and (b) by changing the term "13th day" appearing therein to read "15th day."

24. Amend § 932.84 to read as follows:

§ 932.84 *Payments to the producer-settlement fund.* On or before the 15th day after the end of each delivery period, handlers shall pay to the market administrator as follows:

(a) Handlers who operate nonpool plants from which milk received during such delivery period was disposed of as Class I milk either on a route (or routes) operated wholly or partially within the marketing area from such plant or transferred to a pool plant shall pay an amount equal to the difference between the value of such milk computed at the Class I price and butterfat differential and the value of such milk computed at the Class II price and butterfat differential.

(b) Handlers who operate pool plants shall pay the amount by which the utilization value of producer milk received by such handler during such delivery period is greater than the value of such milk computed at the uniform price pursuant to § 932.71 adjusted by the butterfat differential provided by § 932.82: *Provided*, That with respect to milk for which payment is made by a handler to a cooperative association pursuant to § 932.80 (b), the association, in turn, shall pay to the market administrator, on or before the 16th day after the end of each delivery period, the amount by which the utilization value of such milk is greater than its value computed at the uniform price pursuant to § 932.71 adjusted by the butterfat differential provided by § 932.82.

25. Amend § 932.86 by deleting therefrom the phrase "and Class II milk" and by changing the reference "§ 932.41 (a) (1)" appearing therein to read "§ 932.41 (a) (1) and (2)."

[F. R. Doc. 51-12763; Filed, Oct. 23, 1951; 8:45 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Office of the Secretary

NATURAL-GAS GASOLINE ROYALTIES ACCRUING FROM FEDERAL AND RESTRICTED INDIAN LANDS IN ARIZONA, NEW MEXICO, SOUTHEASTERN UTAH, AND SOUTHWESTERN COLORADO

Notice is hereby given that, effective the first of the month following date of publication of this document in the FEDERAL REGISTER, the value of natural-gas gasoline for the purpose of computing royalty accruing under oil or gas leases on Federal and restricted Indian lands in Arizona, New Mexico, the Navajo Indian Reservation in southeastern Utah, and the Southern Ute and Ute Mountain Indian Reservations in southwestern Colorado shall be the price received by the lessee unless a greater value is established by the Secretary of the Interior or the Regional Oil and Gas Supervisor of the Geological Survey pursuant to the terms of the lease or the operating regulations (30 CFR Part 221).

Application of the minimum price formula of September 1, 1927, as amended, for computing natural-gas gasoline royalties in the areas above designated shall be discontinued concurrently.

Dated: October 17, 1951.

OSCAR L. CHAPMAN,
Secretary of the Interior.

[F. R. Doc. 51-12717; Filed, Oct. 23, 1951; 8:45 a. m.]

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 26]

TEMPORARY AREA OF FOREIGN-TRADE ZONE 1

ORDER GRANTING APPLICATION OF THE CITY OF NEW YORK FOR REVISION

In the matter of the application of the city of New York to revise the temporary area of Foreign-Trade Zone No. 1 to include Piers 15 and 16 with adjacent slips and upland, Stapleton, Staten Island, New York.

Pursuant to authority contained in the Foreign-Trade Zones Act of June 18, 1934 (48 Stat. 998-1003; 19 U. S. C. 81a-81u), as amended by Public Law 566, 81st Congress, approved June 17, 1950, the Foreign-Trade Zones Board has adopted the following order which is promulgated for the information and guidance of all concerned:

Under date of July 12, 1951, the City of New York, through its Commissioner of Marine and Aviation, Edw. F. Cavanagh, Jr., duly filed with this Board its application to revise the temporary area of Foreign-Trade Zone No. 1 by reducing it to include only Piers 15 and 16 and adjacent upland, Stapleton, Staten Island, New York, based on reoccupancy by the Army of a portion of the original zone area due to military necessity.

Accordingly, after full consideration and a finding that the proposal is in the public interest, it is hereby ordered as follows:

1. That permission is granted that Piers 15 and 16 and adjacent slips and upland (including area occupied by the Sumatra Tobacco Warehouse and the Administration Building), Stapleton, Staten Island, New York, be designated as a suitable site where temporary zone operations shall be carried on.

2. That a temporary boundary of Foreign-Trade Zone No. 1 at Stapleton, Staten Island, New York, is established in conformity with Exhibits Nos. 1, 6, and 10, filed with the Board on July 24, 1951.

3. That Foreign Trade Zones Board Order No. 23, effective August 25, 1950, is superseded.

It is found that compliance with the notice, public rule making procedure, and effective date requirements of the Administrative Procedure Act (5 U. S. C. 1003) is unnecessary in connection with the issuance of this order because its application is restricted to one foreign-trade zone, and is of a nature that it imposes no burden on parties of interest.

Signed at Washington, D. C., this 16th day of October 1951, the effective date of this order.

[SEAL] CHARLES SAWYER,
Secretary of Commerce,
Chairman, Foreign-Trade Zones Board.

Attest:

G. R. KIEFERLE,
Acting Executive Secretary.

[F. R. Doc. 51-12716; Filed, Oct. 23, 1951; 8:45 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 2147]

PAN AMERICAN WORLD AIRWAYS, INC.

NOTICE OF HEARING

In the matter of the compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, of Pan American World Airways, Inc., over its trans-Pacific route.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly sections 406 and 1001 of said Act, that a hearing in the above-entitled proceeding is assigned to be held on October 24, 1951, at 9:30 a. m., e. s. t., in Room 5040, Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Richard A. Walsh.

Dated at Washington, D. C., October 22, 1951.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 51-12835; Filed, Oct. 23, 1951; 9:08 a. m.]

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Ceiling Price Regulation 7, Section 43, Special Order 713]

WALTHAM WATCH CO.

CEILING PRICES AT RETAIL

Statement of considerations. This is an order establishing uniform retail prices issued upon the basis of an application filed by a supplier under section 43 of CPR 7. This section gives a manufacturer or wholesaler the right to apply for uniform retail ceiling prices for certain of his branded articles. This section requires that the articles must customarily have been sold at substantially uniform prices, and the ceiling prices applied for must not raise the general level of prices under CPR 7. The order may, of course, be amended or revoked if further review shows that the requirements of the regulation have not been fully met.

This special order requires each article to be tagged or marked with the retail ceiling prices. The supplier must send to each retailer a copy of this special order, as well as a list of ceiling prices for each article or cost line and notice of all amendments. The order requires the supplier to file certain sales reports with OPS.

Retailers will be concerned with Sections 1 through 6 of this special order which contain provisions applying to them. The rest of the order is of interest primarily to the applicant.

Order. For the reasons set forth in the statement of considerations and pursuant to section 43 of CPR 7, it is ordered that the following provisions be in effect:

Provisions for retailers—1. *What this order does.* Sections 1 through 6 apply to you and establish uniform ceiling prices if you sell at retail the articles identified below:

Name and address of applicant: Waltham Watch Company, Waltham, Massachusetts.

Brand name: "Waltham".

Articles: Men's and women's watches and railroad and transportation watches.

2. *Retail ceiling prices for listed articles.* Your ceiling prices for sales at retail of the articles identified above are the retail prices listed in your supplier's application filed with OPS. These prices will be included in a list which will be annexed to the copy of this order which you will receive from your supplier. The list of ceiling prices will be filed with the Federal Register as an appendix to this special order as soon as practicable. These ceiling prices are effective 10 days after you receive this order and the ceiling price list but in no event later than 60 days after the date this order is issued. You shall not sell above these ceiling prices. You may, of course, sell below these prices.

3. *Retail ceiling prices for unlisted items.* Some or all of the retail ceiling prices in this order are fixed in terms of the cost of the article to you. Whenever you receive one of applicant's branded articles which is in the same category and which has the same net cost as one covered by the list, the ceiling price for such article shall be the same as the ceiling price for the article having that same net cost.

4. *Retail ceiling prices affected by amendment to this order.* This order may be amended from time to time or it may be revoked. If so, the applicant is required to send you a copy of the revocation or amendment, together with any list of changes or additions in retail ceiling prices. The ceiling prices contained in any such amendment become your ceiling prices.

5. *Marking and tagging.* This order requires your supplier to pre-ticket his articles by an early date. The label, tag or ticket must be in the following form:

OPS—Sec. 43—CPR 7
Price $--------

After 90 days from the effective date of this order, unless you receive articles marked or tagged in this form, you must so mark or tag them yourself. Before that date you must mark, tag, or post your prices in the manner required by the regulation which applies in the absence of this special order.

With respect to articles the ceiling prices of which are affected by any amendment to this order, the same rules apply except that you must mark or tag such articles as stated above not later than 60 days after the effective date of the amendment.

6. *Applicability.* This special order establishes your ceiling prices for the articles covered by it regardless of whether you would otherwise price the articles under CPR 7 or any other regulation. It applies to sales in the 48 States and the District of Columbia.

Provisions for the applicant.—7. *Notification to retailers.* As the manufacturer or wholesaler to whom this special order is issued, you shall do the following:

(a) *Sending order and list to old customers.* Within 15 days after the effective date of this special order, you shall send a copy of this order, together with a copy of the list referred to in section 8 below to each purchaser for resale to whom, within two months immediately prior to the effective date, you had delivered any article covered by this order.

(b) *Notification to new customers.* A copy of this special order and the list shall be sent to all other purchasers for resale on or before the date of the first delivery of any article covered by this order.

(c) *Notification with respect to amendments.* Within 15 days after the effective date of any subsequent amendment to this order, you shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, you had delivered any article included in such amendment. Within 15 days after any amendment, the amendment shall also be included with the notification to new customers.

(d) *Notification to OPS.* Within 15 days of the effective date of this order, you shall send a copy of the list of prices referred to in section 8 below to the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

8. *Ceiling Price list.* The ceiling price list must be annexed to a copy of the order and shall contain the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling prices fixed by the order. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$-------- per--------{unit, dozen, etc. Terms{net, percent EOM, etc.	$----------

9. *Pre-ticketing requirements.* As the applicant to whom this special order is issued, you must, within 60 days after the effective date of this order (or in the case of an amendment within 60 days after the effective date of that amendment), mark each article covered by this order with a statement in the following form:

OPS—Sec. 43—CPR 7
Price $--------

Instead of marking the article you may attach a label, tag or ticket containing the same information.

10. *Sales volume reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, you shall file with the Distribution Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which you have delivered in that 6-month period.

This special order may be amended or revoked at any time.

Effective date. This special order shall become effective on the 18th of October 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12657; Filed, Oct. 17, 1951; 4:24 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 714]

SEALY MATTRESS CO.

CEILING PRICES AT RETAIL

Statement of considerations.—This is an order establishing uniform retail prices issued upon the basis of an application filed by a supplier under section 43 of CPR 7. This section gives a manufacturer or wholesaler the right to apply for uniform retail ceiling prices for certain of his branded articles. This section requires that the articles must customarily have been sold at substantially uniform prices, and the ceiling prices applied for must not raise the general level of prices under CPR 7. The

order may, of course, be amended or revoked if further review shows that the requirements of the regulation have not been fully met.

This special order requires each article to be tagged or marked with the retail ceiling price. The supplier must send to each retailer a copy of this special order, as well as a list of ceiling prices for each article or cost line and notice of all amendments. The order requires the supplier to file certain sales reports with OPS.

Retailers will be concerned with sections 1 through 6 of this special order which contain provisions applying to them. The rest of the order is of interest primarily to the applicant.

Order. For the reasons set forth in the statement of considerations and pursuant to section 43 of CPR 7, it is ordered that the following provisions be in effect:

Provisions for Retailers. 1. *What this order does.* Sections 1 through 6 apply to you and establish uniform ceiling prices if you sell at retail the articles identified below:

Name and address of applicant: Sealy Mattress Company, 617 West Pratt Street, Baltimore, 1, Maryland.

Brand name: "Sealy."

Articles: Mattresses and box springs.

2. *Retail ceiling prices for listed articles.* Your ceiling prices for sales at retail of the articles identified above are the retail prices listed in your supplier's application filed with OPS. These prices will be included in a list which will be annexed to the copy of this order which you will receive from your supplier. The list of ceiling prices will be filed with the Federal Register as an appendix to this special order as soon as practicable. These ceiling prices are effective 10 days after you receive this order and the ceiling price list but in no event later than 60 days after the date this order is issued. You shall not sell above these ceiling prices. You may, of course, sell below these prices.

3. *Retail ceiling prices for unlisted items.* Some or all of the retail ceiling prices in this order are fixed in terms of the cost of the article to you. Whenever you receive one of applicant's branded articles which is in the same category and which has the same net cost as one covered by the list, the ceiling price for such article shall be the same as the ceiling price for the article having that same net cost.

4. *Retail ceiling prices affected by amendment to this order.* This order may be amended from time to time or it may be revoked. If so, the applicant is required to send you a copy of the revocation or amendment, together with any list of changes or additions in retail ceiling prices. The ceiling prices contained in any such amendment become your ceiling prices.

5. *Marking and tagging.* This order requires your supplier to pre-ticket his articles by an early date. The label, tag or ticket must be in the following form:

OPS—Sec. 43—CPR 7
Price $--------

After 90 days from the effective date of this order, unless you receive articles marked or tagged in this form, you must so mark or tag them yourself. Before that date you must mark, tag or post your prices in the manner required by the regulation which applies in the absence of this special order.

With respect to articles the ceiling prices of which are affected by any amendment to this order, the same rules apply except that you must mark or tag such articles as stated above not later than 60 days after the effective date of the amendment.

6. *Applicability.* This special order establishes your ceiling prices for the articles covered by it regardless of whether you would otherwise price the articles under CPR 7 or any other regulation. It applies to sales in the 48 states and the District of Columbia.

Provisions for the applicant—7. Notification to retailers. As the manufacturer or wholesaler to whom this special order is issued, you shall do the following:

(a) *Sending order and list to old customers.* Within 15 days after the effective date of this special order, you shall send a copy of this order, together with a copy of the list referred to in section 8 below to each purchaser for resale to whom, within two months immediately prior to the effective date, you had delivered any article covered by this order.

(b) *Notification to new customers.* A copy of this special order and the list shall be sent to all other purchasers for resale on or before the date of the first delivery of any article covered by this order.

(c) *Notification with respect to amendments.* Within 15 days after the effective date of any subsequent amendment to this order, you shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, you had delivered any article included in such amendment. Within 15 days after any amendment, the amendment shall also be included with the notification to new customers.

(d) *Notification to OPS.* Within 15 days of the effective date of this order, you shall send a copy of the list of prices referred to in section 8 below to the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

8. *Ceiling Price list.* The ceiling price list must be annexed to a copy of the order and shall contain the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling prices fixed by the order. The notice shall be in substantially the following form:

(Column 1)	(Column 2)
Price to retailers	Retailer's ceilings for articles of cost listed in column 1
$-------- per.--------{unit. dozen. etc.	$----------
Terms {net. percent EOM. etc.	

9. *Pre-ticketing requirements.* As the applicant to whom this special order is issued, you must, within 60 days after the effective date of this order (or in the case of an amendment within 60 days after the effective date of that amendment), mark each article covered by this order with a statement in the following form:

OPS—Sec. 43—CPR 7
Price $--------

Instead of marking the article you may attach a label, tag or ticket containing the same information.

10. *Sales volume reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, you shall file with the Distribution Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which you have delivered in that 6-month period.

This special order may be amended or revoked at any time.

Effective date. This special order shall become effective on the 18th of October 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12658; Filed, Oct. 17, 1951; 4:24 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 715]

NEWLAND, SCHNEELOCH & PIEK, INC.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Newland, Schneeloch & Piek, Inc., 1107 Broadway, New York 10, N. Y. (hereafter called wholesaler) has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant is required to send purchasers of the articles a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Price Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. The ceiling prices for sales at retail of dinnerware sold at wholesale by Newland, Schneeloch & Piek, Inc., 1107 Broadway, New York 10, N. Y., having the brand name(s) "Orchard Dinnerware" shall be the proposed retail ceiling prices listed by Newland, Schneeloch & Piek, Inc., in its application dated June 13, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C.

A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may, of course, be made at less than the ceiling prices.

2. The retail ceiling price of an article fixed by paragraph 1 of this special order shall apply to any other article of the same type which is otherwise priceable under Ceiling Price Regulation 7 by retailers subject to that regulation, having the same selling price and terms of sale to the retailer, the same brand or company name and first sold by the wholesaler after the effective date of this special order.

3. On and after December 17, 1951, Newland, Schneelock & Piek, Inc. must mark each article for which a ceiling price has been established in paragraph 1 of this special order with the retail ceiling price under this special order, or attach to the article a label, tag or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price $--------

On and after January 16, 1952, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to January 16, 1952, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the wholesaler's application or changes the retail ceiling price of a listed article, the applicant named in this special order must comply, as to each such article, with the preticketing requirements of this paragraph within 30 days after the effective date of the amendment. After 60 days from the effective date, no retailer may offer or sell the article unless the article is so ticketed, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

4. Within 15 days after the effective date of this special order, the manufacturer shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the manufacturer had delivered any article covered in paragraph 1 of this special order. Copies shall also be sent to all other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of this special order, and shall be accompanied by copies of each amendment thereto (if any) issued prior to the date of the delivery. The manufacturer shall annex to the special order a notice, listing the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling price fixed by this special order for an article of that cost. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$-------- per --------{unit. / dozen. / etc.}	$----------
Terms {net. / percent EOM. / etc.}	

Within 15 days after the effective date of this special order, two copies of this notice must also be filed by the manufacturer with the Distribution Price Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C. Within 15 days after the effective date of any subsequent amendment to this special order, the manufacturer shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the manufacturer had delivered any article the sale of which is affected in any manner by the amendment.

5. Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, the manufacturer shall file with the Distribution Price Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that 6-month period.

6. The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

7. This special order or any provision thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

8. The provisions of this special order are applicable to the United States and the District of Columbia.

Effective date. This special order shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12659; Filed, Oct. 17, 1951; 4:25 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 716]

HODGMAN RUBBER CO.

CEILING PRICES AT RETAIL

Statement of considerations. This is an order establishing uniform retail prices issued upon the basis of an application filed by a supplier under section 43 of CPR 7. This section gives a manufacturer or wholesaler the right to apply for uniform retail ceiling prices for certain of his branded articles. This section requires that the articles must customarily have been sold at substantially uniform prices, and the ceiling prices applied for must not raise the general level of prices under CPR 7. The order may, of course, be amended or revoked if further review shows that the requirements of the regulation have not been fully met.

This special order requires each article to be tagged or marked with the retail ceiling price. The supplier must send to each retailer a copy of this special order, as well as a list of ceiling prices for each article or cost line and notice of all amendments. The order requires the supplier to file certain sales reports with OPS.

Retailers will be concerned with sections 1 through 6 of this special order which contain provisions applying to them. The rest of the order is of interest primarily to the applicant.

Order. For the reasons set forth in the statement of considerations and pursuant to section 43 of CPR 7, it is ordered that the following provisions be in effect:

Provisions for retailers—1. *What this order does.* Sections 1 through 6 apply to you and establish uniform ceiling prices if you sell at retail the articles identified below:

Name and address of applicant: Hodgman Rubber Company, Framingham, Massachusetts.

Brand name: "Hodgman".

Articles: Shirts, shirts with hoods, parkas, pants, coolapaks, jackets, ground cloths, pouches, huntsuits, jackets with hoods, parka capes, fishing waders, repair kits, suspenders and cape caps.

2. *Retail ceiling prices for listed articles.* Your ceiling prices for sales at retail of the articles indentified above are the retail prices listed in your supplier's application filed with OPS. These prices will be included in a list which will be annexed to the copy of this order which you will receive from your supplier. The list of ceiling prices will be filed with the Federal Register as an appendix to this special order as soon as practicable. These ceiling prices are

effective 10 days after you receive this order and the ceiling price list but in no event later than 60 days after the date this order is issued. You shall not sell above these ceiling prices. You may, of course, sell below these prices.

3. *Retail ceiling prices for unlisted items.* Some or all of the retail ceiling prices in this order are fixed in terms of the cost of the article to you. Whenever you receive one of applicant's branded articles which is in the same category and which has the same net cost as one covered by the list, the ceiling price for such article shall be the same as the ceiling price for the article having that same net cost.

4. *Retail ceiling prices affected by amendment to this order.* This order may be amended from time to time or it may be revoked. If so, the applicant is required to send you a copy of the revocation or amendment, together with any list of changes or additions in retail ceiling prices. The ceiling prices contained in any such amendment become your ceiling prices.

5. *Marking and tagging.* This order requires your supplier to pre-ticket his articles by an early date. The label, tag or ticket must be in the following form:

OPS—Sec. 43—CPR 7
Price $_____

After 90 days from the effective date of this order, unless you receive articles marked or tagged in this form, you must so mark or tag them yourself. Before that date you must mark, tag or post your prices in the manner required by the regulation which applies in the absence of this special order.

With respect to articles the ceiling prices of which are affected by any amendment to this order, the same rules apply except that you must mark or tag such articles as stated above not later than 60 days after the effective date of the amendment.

6. *Applicability.* This special order establishes your ceiling prices for the articles covered by it regardless of whether you would otherwise price the articles under CPR 7 or any other regulation. It applies to sales in the 48 States and the District of Columbia.

Provisions for the applicant—7. *Notification to retailers.* As the manufacturer or wholesaler to whom this special order is issued, you shall do the following:

(a) *Sending order and list to old customers.* Within 15 days after the effective date of this special order, you shall send a copy of this order, together with a copy of the list referred to in section 8 below to each purchaser for resale to whom, within two months immediately prior to the effective date, you had delivered any article covered by this order.

(b) *Notification to new customers.* A copy of this special order and the list shall be sent to all other purchasers for resale on or before the date of the first delivery of any article covered by this order.

(c) *Notification with respect to amendments.* Within 15 days after the effective date of any subsequent amendment to this order, you shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, you had delivered any article included in such amendment. Within 15 days after any amendment, the amendment shall also be included with the notification to new customers.

(d) *Notification to OPS.* Within 15 days of the effective date of this order, you shall send a copy of the list of prices referred to in section 8 below to the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

8. *Ceiling price list.* The ceiling price list must be annexed to a copy of the order and shall contain the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling prices fixed by the order. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$_____ per_____{unit. dozen. etc.}	$_____
Terms{net. percent EOM. etc.}	

9. *Pre-ticketing requirements.* As the applicant to whom this special order is issued, you must, within 60 days after the effective date of this order (or in the case of an amendment within 60 days after the effective date of that amendment), mark each article covered by this order with a statement in the following form:

OPS—Sec 43—CPR 7
Price $_____

Instead of marking the article you may attach a label, tag or ticket containing the same information.

10. *Sales volume reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days days of the expiration of each successive 6-month period, you shall file with the Distribution Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which you have delivered in that 6-month period.

This special order may be amended or revoked at any time.

Effective date. This special order shall become effective on the 18th of October, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12860; Filed, Oct. 17, 1951; 4:25 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 717]

MOBILE MATTRESS CO., INC.

CEILING PRICES AT RETAIL

Statement of considerations. This is an order establishing uniform retail prices issued upon the basis of an application filed by a supplier under section 43 of CPR 7. This section gives a manufacturer or wholesaler the right to apply for uniform retail ceiling prices for certain of his branded articles. This section requires that the articles must customarily have been sold at substantially uniform prices, and the ceiling prices applied for must not raise the general level of prices under CPR 7. The order may, of course, be amended or revoked if further review shows that the requirements of the regulation have not been fully met.

This special order requires each article to be tagged or marked with the retail ceiling price. The supplier must send to each retailer a copy of this special order, as well as a list of ceiling prices for each article or cost line and notice of all amendments. The order requires the supplier to file certain sales reports with OPS.

Retailers will be concerned with sections 1 through 6 of this special order which contain provisions applying to them. The rest of the order is of interest primarily to the applicant.

Order. For the reasons set forth in the Statement of Considerations and pursuant to section 43 of CPR 7, it is ordered that the following provisions be in effect:

Provisions for retailers—1. *What this order does.* Sections 1 through 6 apply to you and establish uniform ceiling prices if you sell at retail the articles identified below:

Name and address of applicant: Mobile Mattress Company, Inc., 160 N. Water Street., Mobile, Alabama.

Brand names: "Azalea," "Gulf Dream," and "Rex."

Articles: Mattresses and box springs.

2. *Retail ceiling prices for listed articles.* Your ceiling price for sales at retail of the articles identified above are the retail prices listed in your supplier's application filed with OPS. These prices will be included in a list which will be annexed to the copy of this order which you will receive from your supplier. The list of ceiling prices will be filed with the Federal Register as an appendix to this special order as soon as practicable. These ceiling prices are effective 10 days after you receive this order and the ceiling price list but in no event later than 60 days after the date this order is issued. You shall not sell above these ceiling prices. You may, of course, sell below these prices.

3. *Retail ceiling prices for unlisted items.* Some or all of the retail ceiling prices in this order are fixed in terms of the cost of the article to you. Whenever you receive one of applicant's branded articles which is in the same category and which has the same net cost as one covered by the list, the ceiling price for such article shall be the same as the ceiling price for the article having that same net cost.

4. *Retail ceiling prices affected by amendment to this order.* This order may be amended from time to time or it may be revoked. If so, the applicant is required to send you a copy of the revocation or amendment, together with any

list of changes or additions in retail ceiling prices. The ceiling prices contained in any such amendment become your ceiling prices.

5. *Marking and tagging.* This order requires your supplier to pre-ticket his article by an early date. The label, tag or ticket must be in the following form:

OPS—Sec. 43—CPR 7
Price $_____

After 90 days from the effective date of this order, unless you receive articles marked or tagged in this form, you must so mark or tag them yourself. Before that date you must mark, tag or post your prices in the manner required by the regulation which applies in the absence of this special order.

With respect to articles the ceiling prices of which are affected by any amendment to this order, the same rules apply except that you must mark or tag such articles as stated above not later than 60 days after the effective date of the amendment.

6. *Applicability.* This special order establishes your ceiling prices for the articles covered by it regardless of whether you would otherwise price the articles under CPR 7 or any other regulation. It applies to sales in the 48 states and the District of Columbia.

PROVISIONS FOR THE APPLICANT

7. *Notification to retailers.* As the manufacturer or wholesaler to whom this special order is issued, you shall do the following:

(a) *Sending order and list to old customers.* Within 15 days after the effective date of this special order, you shall send a copy of this order, together with a copy of the list referred to in section 8 below to each purchaser for resale to whom, within two months immediately prior to the effective date, you had delivered any article covered by this order.

(b) *Notification to new customers.* A copy of this special order and the list shall be sent to all other purchasers for resale on or before the date of the first delivery of any article covered by this order.

(c) *Notification with respect to amendments.* Within 15 days after the effective date of any subsequent amendment to this order, you shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, you had delivered any article included in such amendment. Within 15 days after any amendment, the amendment shall also be included with the notification to new customers.

(d) *Notification to OPS.* Within 15 days of the effective date of this order, you shall send a copy of the list of prices referred to in section 8 below to the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

8. *Ceiling Price list.* The ceiling price list must be annexed to a copy of the order and shall contain the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling prices fixed by the order. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$_____ per_____{unit. dozen. etc.}	$_____
Terms{net. percent EOM. etc.}	

9. *Pre-ticketing requirements.* As the applicant to whom this special order is issued, you must, within 60 days after the effective date of this order (or in the case of an amendment within 60 days after the effective date of that amendment), mark each article covered by this order with a statement in the following form:

OPS—Sec. 43—CPR 7
Price $_____

Instead of marking the article you may attach a label, tag or ticket containing the same information.

10. *Sales volume reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, you shall file with the Distribution Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which you have delivered in that 6-month period.

This special order may be amended or revoked at any time.

Effective date. This special order shall become effective on the 18th of October 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12661; Filed, Oct. 17, 1951; 4:25 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 718]

WESTERN GARMENT CO.

CEILING PRICES AT RETAIL

Statement of considerations. This is an order establishing uniform retail prices issued upon the basis of an application filed by a supplier under section 43 of CPR 7. This section gives a manufacturer or wholesaler the right to apply for uniform retail ceiling prices for certain of his branded articles. This section requires that the articles must customarily have been sold at substantially uniform prices, and the ceiling prices applied for must not raise the general level of prices under CPR 7. The order may, of course, be amended or revoked if further review shows that the requirements of the regulation have not been fully met.

This special order requires each article to be tagged or marked with the retail ceiling price. The supplier must send to each retailer a copy of this special order, as well as a list of ceiling prices for each article or cost line and notice of all amendments. The order requires the supplier to file certain sales reports with OPS.

Retailers will be concerned with sections 1 through 6 of this special order which contain provisions applying to them. The rest of the order is of interest primarily to the applicant.

Order. For the reasons set forth in the Statement of Considerations and pursuant to section 43 of CPR 7, it is ordered that the following provisions be in effect:

Provisions for retailers—1. *What this order does.* Sections 1 through 6 apply to you and establish uniform ceiling prices if you sell at retail the articles identified below:

Name and address of applicant: Western Garment Co., 720 Washington Avenue, St. Louis 1, Missouri.

Brand names: "Jean Harper" and "Parfay".

Articles: Women's coats.

2. *Retail ceiling prices for listed articles.* Your ceiling prices for sales at retail of the articles identified above are the retail prices listed in your supplier's application filed with OPS. These prices will be included in a list which will be annexed to the copy of this order which you will receive from your supplier. The list of ceiling prices will be filed with the Federal Register as an appendix to this special order as soon as practicable. These ceiling prices are effective 10 days after you receive this order and the ceiling price list but in no event later than 60 days after the date this order is issued. You shall not sell above these ceiling prices. You may, of course, sell below these prices.

3. *Retail ceiling prices for unlisted items.* Some or all of the retail ceiling prices in this order are fixed in terms of the cost of the article to you. Whenever you receive one of applicant's branded articles which is in the same category and which has the same net cost as one covered by the list, the ceiling price for such article shall be the same as the ceiling price for the article having that same net cost.

4. *Retail ceiling prices affected by amendment to this order.* This order may be amended from time to time or it may be revoked. If so, the applicant is required to send you a copy of the revocation or amendment, together with any list of changes or additions in retail ceiling prices. The ceiling prices contained in any such amendment become your ceiling prices.

5. *Marking and tagging.* This order requires your supplier to pre-ticket his articles by an early date. The label, tag or ticket must be in the following form:

OPS—Sec. 43—CPR 7
Price $_____

After 90 days from the effective date of this order, unless you receive articles marked or tagged in this form, you must so mark or tag them yourself. Before that date you must mark, tag or post your prices in the manner required by the regulation which applies in the absence of this special order.

With respect to articles the ceiling prices of which are affected by any amendment to this order, the same rules apply except that you must mark or

tag such articles as stated above not later than 60 days after the effective date of the amendment.

6. *Applicability.* This special order establishes your ceiling prices for the articles covered by it regardless of whether you would otherwise price the articles under CPR 7 or any other regulation. It applies to sales in the 48 states and the District of Columbia.

Provisions for the Applicant—7. Notifications to retailers. As the manufacturer or wholesaler to whom this special order is issued, you shall do the following:

(a) *Sending order and list to old customers.* Within 15 days after the effective date of this special order, you shall send a copy of this order, together with a copy of the list referred to in section 8 below to each purchaser for resale to whom, within two months immediately prior to the effective date, you had delivered any article covered by this order.

(b) *Notification to new customers.* A copy of this special order and the list shall be sent to all other purchasers for resale on or before the date of the first delivery of any article covered by this order.

(c) *Notification with respect to amendments.* Within 15 days after the effective date of any subsequent amendment to this order, you shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, you had delivered any article included in such amendment. Within 15 days after any amendment, the amendment shall also be included with the notification to new customers.

(d) *Notification to OPS.* Within 15 days of the effective date of this order, you shall send a copy of the list of prices referred to in section 8 below to the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

8. *Ceiling Price list.* The ceiling price list must be annexed to a copy of the order and shall contain the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling prices fixed by the order. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$_____ per_____{unit. dozen. etc.}	$_____
Terms{net. percent EOM. etc.}	

9. *Pre-ticketing requirements.* As the applicant to whom this special order is issued, you must, within 60 days after the effective date of this order (or in the case of an amendment within 60 days after the effective date of that amendment), mark each article covered by this order with a statement in the following form:

OPS—Sec 43—CPR 7
Price $_____

Instead of marking the article you may attach a label, tag or ticket containing the same information.

10. *Sales volume reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, you shall file with the Distribution Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which you have delivered in that 6-month period.

This special order may be amended or revoked at any time.

Effective date. This special order shall become effective on the 18th of October 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12662; Filed, Oct. 17, 1951; 4:25 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 719]

FINDERS MFG. CO.

CEILING PRICES AT RETAIL AND WHOLESALE

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Finders Manufacturing Company, 3669 S. Michigan Ave., Chicago, Illinois, has applied to the Office of Price Stabilization for maximum resale prices for retail and wholesale sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant and intermediate distributors are required to send purchasers of the articles a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. *Ceiling prices.* The ceiling prices for sales at retail and wholesale of electric deepfrys, wafflers and grids, broilers and broiler ovens and grill trays sold through retailers and wholesalers and having the brand name(s) "Holliwood" shall be the proposed retail and wholesale ceiling prices listed by Finders Manufacturing Company, 3669 S. Michigan Ave., Chicago, Illinois, hereinafter referred to as the "applicant" in its application dated August 7, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C.

A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail or wholesale may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may be made, of course, at less than the ceiling prices.

2. *Marketing and tagging.* On and after December 17, 1951, Finders Manufacturing Company must mark each article for which a ceiling price has been established in paragraph 1 of this special order with the retail ceiling price under this special order or attach to the article a label, tag, or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price $_____

On and after January 16, 1952, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to January 16, 1952, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging and posting provisions of the regulation which would apply in the absence of this special order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the application or changes the retail ceiling price of a listed article, the applicant named in this special order must comply as to each such article with the pre-ticketing requirements of this paragraph within 60 days after the effective date of the amendment. After 90 days from the effective date, no retailer may offer or sell the article unless it is ticketed in accordance with the requirements of this paragraph. Prior to the expiration of the 90 day period, unless the article is so ticketed, the retailer must comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

3. *Notification to resellers*—(a) *Notices to be given by applicant.* (1) After receipt of this special order, a copy of this special order and the notice described below shall be sent by the applicant to each purchaser for resale on or before the date of the first delivery of any article covered in paragraph 1 of this special order.

(2) Within fifteen days after the effective date of this special order, the applicant shall send a copy of this special

order and the notice described below to each purchaser for resale to whom within two months immediately prior to the receipt of this special order the applicant had delivered any article covered by paragraph 1 of this special order.

(3) The applicant must notify each purchaser for resale of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described below.

(4) The applicant shall annex to this special order or amendment a notice listing the style or lot number, name, or other description of each item covered by this special order or amendment and its corresponding retail ceiling price and corresponding wholesale ceiling price. The notice shall be in substantially the following form:

(Column 1)	(Column 2)	(Column 3)
Item (style or lot number or other description)	Retailer's ceiling price for articles listed in column 1	Wholesaler's ceiling price for articles listed in column 1
----------	$----------	$----------

(5) Within 15 days after the effective date of this special order or any amendment thereto, two copies of the ceiling price notice above described must be filed by the applicant with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

(6) The applicant must supply each purchaser for resale other than a retailer with sufficient copies of this special order, amendment and notices to permit such purchasers for resale to comply with the notification requirements of this special order.

(b) *Notices to be given by purchasers for resale (other than retailers)* (1) A copy of this special order, together with the annexed notice of ceiling prices described in subparagraph 3 (a) (4) of this section, shall be sent by each purchaser for resale (other than retailers) to each of his purchasers on or before the date of the first delivery after receipt of a copy of this special order.

(2) Within 15 days of receipt of this special order and the annexed notice, each purchaser for resale (other than retailers) shall send a copy of the order and notice to each of his purchasers to whom, within two months prior to receipt of this special order, his records indicate he had delivered any article covered by paragraph 1 of this special order.

(3) Each purchaser for resale (other than retailers) must notify each purchaser of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described above.

4. *Reports.* Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, the applicant shall file with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that 6-month period.

5. *Other regulations affected.* The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it, regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

6. *Revocation.* This special order or any provisions thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

7. *Applicability.* The provisions of this special order are applicable in the United States and the District of Columbia.

Effective date. This special order shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12663; Filed, Oct. 17, 1951; 4:26 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 720]

DECORATIVE CABINET CORP.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Decorative Cabinet Corporation, 261 Fifth Avenue, New York 16, N. Y., has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant and intermediate distributors are required to send purchasers of the article a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. *Ceiling prices.* The ceiling prices for sales at retail of wardrobes, chests, screens, cabinets, blanket boxes, hat boxes, sewing boxes, combination trays, and utility combinations sold through wholesalers and retailers and having the brand name(s) "E-Z-Do" shall be the proposed retail ceiling prices listed by Decorative Cabinet Corporation, 261 Fifth Avenue, New York 16, N. Y. hereinafter referred to as the "applicant" in its application dated August 22, 1951 and filed with the Office of Price Stabilization, Washington 25, D. C.

A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may be made, of course, at less than the ceiling prices.

2. *Marking and tagging.* On and after December 17, 1951, Decorative Cabinet Corporation must mark each article for which a ceiling price has been established in paragraph 1 of this special order with the retail ceiling price under this special order or attach to the article a label, tag, or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price $---------

On and after January 16, 1952, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to January 16, 1952, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging and posting provisions of the regulation which would apply in the absence of this special order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the application or changes the retail ceiling price of a listed article, the applicant named in this special order must comply as to each such article with the preticketing requirements of this paragraph within 30 days after the effective date of the amendment. After 60 days from the effective date, no retailer may offer or sell the article unless it is ticketed in accordance with the requirements of this paragraph. Prior to the expiration of the sixty-day period, unless the article is so ticketed, the retailer must comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

3. *Notification to resellers*—(a) *Notices to be given by applicant.* (1) After receipt of this special order, a copy of this special order and the notice described below shall be sent by the applicant to each purchaser for resale on or before the date of the first delivery of any article covered in paragraph 1 of this special order.

(2) Within fifteen days after the effective date of this special order, the applicant shall send a copy of this special order and the notice described below to each purchaser for resale to whom within two months immediately prior to the receipt of this special order the applicant had delivered any article covered by paragraph 1 of this special order.

(3) The applicant must notify each purchaser for resale of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described below.

(4) The applicant shall annex to this special order or amendment a notice listing the style or lot number, name, or other description of each item covered by this special order or amendment and its corresponding retail ceiling price. The notice shall be in substantially the following form:

(Column 1)	(Column 2)
Item (style or lot number or other description)	Retailer's ceiling price for articles listed in column 1
----------	$----------

(5) Within 15 days after the effective date of this special order or any amendment thereto, two copies of the ceiling price notice above described must be filed by the applicant with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

(6) The applicant must supply each purchaser for resale other than a retailer with sufficient copies of this special order, amendment and notices to permit such purchasers for resale to comply with the notification requirements of this special order.

(b) *Notices to be given by purchasers for resale (other than retailers).* (1) A copy of this special order, together with the annexed notice of ceiling prices described in subparagraph (a) (4) of this section, shall be sent by each purchaser for resale (other than retailers) to each of his purchasers on or before the date of the first delivery after receipt of a copy of this special order.

(2) Within 15 days of receipt of this special order and the annexed notice, each purchaser for resale (other than retailers) shall send a copy of the order and notice to each of his purchasers to whom, within two months prior to receipt of this special order, his records indicate he had delivered any article covered by paragraph 1 of this special order.

(3) Each purchaser for resale (other than retailers) must notify each purchaser of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described above.

4. *Reports.* Within 45 days of the expiration of the first 6 months' period following the effective date of this special order and within 45 days of the expiration of each successive 6 months' period, the applicant shall file with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that 6 months period.

5. *Other regulations affected.* The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it, regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

6. *Revocation.* This special order or any provisions thereof may be revoked, ssupended, or amended by the Director of Price Stabilization at any time.

7. *Applicability.* The provisions of this special order are applicable in the United States and the District of Columbia.

Effective date. This special order shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12664; Filed, Oct. 17, 1951; 4:26 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 721]

NEWLAND, SCHNEELOCH & PIEK, INC.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Newland, Schneeloch & Piek, Inc., 107 Broadway, New York 10, N. Y., (hereafter called wholesaler) has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant is required to send purchasers of the articles a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Price Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. The ceiling prices for sales at retail of glassware sold at wholesale by Newland, Schneeloch & Piek, Inc., 1107 Broadway, New York 10, N. Y., having the brand name "Orchard Crystal" shall be the proposed retail ceiling prices listed by Newland, Schneeloch & Piek, Inc., in its application dated April 24, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C.

A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may, of course, be made at less than the ceiling prices.

2. The retail ceiling price of an article fixed by paragraph 1 of this special order shall apply to any other article of the same type which is otherwise priceable under Ceiling Price Regulation 7 by retailers subject to that regulation, having the same selling price and terms of sale to the retailer, the same brand or company name and first sold by the wholesaler after the effective date of this special order.

3. On and after December 17, 1951, Newland, Schneeloch & Piek, Inc., must mark each article for which a ceiling price has been established in paragraph 1 of this special order with the retail ceiling price under this special order, or attach to the article a label, tag or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price $--------

On and after January 16, 1952, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to January 16, 1952, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this particular order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the wholesaler's application or changes the retail ceiling price of a listed article, the applicant named in this special order must comply, as to each such article, with the preticketing requirements of this paragraph within 30 days after the effective date of the amendment. After 60 days from the effective date, no retailer may offer or sell the article unless it is ticketed in accordance with the requirements of this paragraph. Prior to the expiration of the 60-day period, unless the article is so ticketed, the retailer shall comply with the marking, tagging, and posting provisions of the regulation

which would apply in the absence of this special order.

4. Within 15 days after the effective date of this special order, the manufacturer shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the manufacturer had delivered any article covered in paragraph 1 of this special order. Copies shall also be sent to all other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of this special order, and shall be accompanied by copies of each amendment thereto (if any) issued prior to the date of the delivery. The manufacturer shall annex to the special order a notice, listing the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling price fixed by this special order for an article of that cost. The notice shall be in substantially the following form:

(Column 1) Price to retailers	(Column 2) Retailer's ceilings for articles of cost listed in column 1
$_____ per_____{unit. dozen. etc.}	$_____
Terms{net. percent EOM. etc.}	

Within 15 days after the effective date of this special order, two copies of this notice must also be filed by the manufacturer with the Distribution Price Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C. Within 15 days after the effective date of any subsequent amendment to this special order, the manufacturer shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the manufacturer had delivered any article the sale of which is affected in any manner by the amendment.

5. Within 45 days of the expiration of the first 6-month period following the effective date of this special order and within 45 days of the expiration of each successive 6-month period, the manufacturer shall file with the Distribution Price Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that 6-month period.

6. The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

7. This special order or any provision thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

8. The provisions of this special order are applicable to the United States and the District of Columbia.

Effective date. This special order shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 17, 1951.

[F. R. Doc. 51-12665; Filed, Oct. 17, 1951; 4:26 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 151, Amdt. 2]

AMERICAN GIRL SHOE CO.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 151, and Special Order 151, Amendment 1, issued under section 43 of Ceiling Price Regulation 7, to American Girl Shoe Co., extends the date by which the applicant was required to mark, tag or ticket the articles covered by the special order. The extension is granted on applicant's demonstration of inability to preticket by the date specified in the special order.

Amendatory provisions. Special Order 151 and Special Order 151, Amendment 1, under section 43 of Ceiling Price Regulation 7 is amended in the following respects:

1. In paragraph 3, substitute for the date "October 15, 1951," the date "December 15, 1951."

2. In paragraph 3, substitute for the date "November 15, 1951," wherever it appears, the date "January 15, 1952."

Effective date. This amendment shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12699; Filed, Oct. 18, 1951; 4:43 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 572, Amdt. 2]

HANSEN GLOVE CORP.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 572, issued under section 43 of Ceiling Price Regulation 7, to Hansen Glove Corporation, extends the date by which the applicant was required to mark or tag its branded articles. The extension is granted on applicant's demonstration of its inability to preticket in the manner set forth in the special order by the date specified.

Amendatory provisions. Special Order 572 under Ceiling Price Regulation 7, section 43, is amended in the following respects:

1. In paragraph 2, substitute for the date "October 20, 1951," the date "December 29, 1951".

2. In paragraph 2, substitute for the date "November 19, 1951," wherever it appears, the date "January 29, 1952".

Effective date. This amendment shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12704; Filed, Oct. 18, 1951; 4:44 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 584, Amdt. 1]

LAKELAND MFG. CO.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 584, issued under section 43, of Ceiling Price Regulation 7, to Lakeland Manufacturing Co., extends the date by which the applicant was required to mark or tag its branded articles. The extension is granted on applicant's demonstration of its inability to preticket in the manner set forth in the special order by the date specified.

Amendatory provisions. 1. In the third sentence of paragraph 5, delete "After 60 days from the effective date of this order," and insert, "After January 26, 1952".

2. In the last sentence of paragraph 5, delete "60 days" and substitute therefor, "90 days".

3. In paragraph 9, delete, "within 60 days after the effective date of this order," and substitute therefor, "after December 26, 1951".

Effective date. This amendment shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12705; Filed, Oct. 18, 1951; 4:44 p. m.]

[Ceiling Price Regulation 7, Section 43, Revocation of Special Order 22]

STARDUST, INC.

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 22, issued to Stardust, Inc. on May 23, 1951, effective May 24, 1951, established ceiling prices at retail for ladies' lingerie and blouses having the brand name "Stardust."

Stardust, Inc. has applied for a revocation of this special order because it no longer deals in many of the price lines specifically covered by the special order. The application states that for this reason the special order is largely obsolete, and that substantial amendment would be required to bring the special order into line with the applicant's present price lines. The Director has determined that sufficient reasons have been shown for revocation of the special order.

This order of revocation requires the applicant to send a copy thereof to all purchasers for resale who have received notice of the special order.

Revocation. 1. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, Special Order 22, issued to Stardust, Inc. on May 23, 1951, effective May 24, 1951, establishing ceiling prices at retail for brassieres, panties, slips, and ladies' blouses having the brand name "Stardust," shall be, and the same hereby is, revoked in all respects.

2. Stardust, Inc. must, within 15 days after the effective date of this order of revocation, send a copy of this order of revocation to all purchasers for resale to

whom it has given notice of Special Order 22.

Effective date. This order of revocation shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12698; Filed, Oct. 18, 1951; 4:42 p. m.]

[Ceiling Price Regulation 7, Section 43, Revocation of Special Order 387]

EMERSON ELECTRIC MFG. CO.

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 387, issued to the Emerson Electric Mfg. Co. on August 10, 1951, effective August 11, 1951, established ceiling prices at retail for electric fans having the brand names "Emerson Electric" and "Emerson Junior".

The Emerson Electric Mfg. Co. has applied for a revocation of this special order. The applicant states that the special order was issued too late to use during the 1951 retail selling season. The applicant further states that as its own ceiling prices are subject to unknown changes and the next retail selling season is many months away, the tagging of its products at this time would cause unreasonable hardship. The Director has determined that sufficient reasons have been shown for revocation of the special order. The order of revocation requires the applicant to send a copy to all purchasers for resale who have received notice of the special order.

Revocation. 1. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, Special Order 387, issued to the Emerson Electric Mfg. Co. on August 10, 1951, effective August 11, 1951, established ceiling prices at retail for electric fans having the brand names "Emerson Electric" and "Emerson Junior", shall be, and the same hereby is, revoked in all respects.

2. *Notification to resellers*—(a) *Notice to be given by applicant.* Within 15 days after the effective date of this order of revocation, The Emerson Electric Mfg. Co. must send a copy of this order of revocation to all purchasers for resale to whom it had given notice of Special Order 387.

The applicant must also, within 15 days after the effective date of this order of revocation, supply each purchaser for resale, other than a retailer, with sufficient copies of this order of revocation to enable such purchaser to comply with the notification requirements of this order of revocation.

(b) *Notices to be given by purchaser for resale (other than retailers).* Within 15 days of receipt of this order of revocation, each purchaser for resale (other than retailers) must send a copy of this order of revocation to each purchaser for resale to whom he has given notice of Special Order 387.

Effective date. This order of revocation shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12700; Filed, Oct. 18, 1951; 4:43 p. m.]

Revocation of Special Order 407]

LENTZ NOVELTY CO.

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 407, issued to Lentz Novelty Company on August 15, 1951, effective August 16, 1951, established ceiling prices at retail for covered metal shoe racks, hatracks and tieracks having the brand name "Back O'Door Racks."

The Lentz Novelty Company has applied for a revocation of this special order, stating that it has encountered difficulties in the administration of the order. The Director has determined that sufficient reasons have been shown for revocation of the special order.

This order of revocation requires the applicant to send a copy thereof to all purchasers for resale who have received notice of the special order.

Revocation. 1. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, Special Order 407, issued to Lentz Novelty Company on August 15, 1951, effective August 16, 1951 establishing ceiling prices at retail for covered metal shoe racks, hatracks, and tieracks having the brand name "Back O'Door Racks," shall be, and the same hereby is, revoked in all respects.

2. The Lentz Novelty Company must, within 15 days after the effective date of this order of revocation, send a copy of this order of revocation to all purchasers for resale to whom it has given notice of Special Order 407.

Effective date. The order of revocation shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12701; Filed, Oct. 18, 1951; 4:43 p. m.]

[Ceiling Price Regulation 7, Section 43, Revocation of Special Order 530]

FORMAID CO.

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 530, issued to Formaid Co. on August 21, 1951, effective August 22, 1951, established ceiling prices at retail for women's brassieres having the brand name "Formaid".

The Formaid Co. has applied for a revocation of this special order on the grounds that it is unable to comply with the terms of the order. The Director has determined that sufficient reasons have been shown for revocation of the special order.

This order of revocation requires the applicant to send a copy thereof to all purchasers for resale who have received notice of the special order.

Revocation. 1. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, Special Order 530, issued to Formaid Co. on August 21, 1951, effective August 22, 1951, establishing ceiling prices at retail for women's brassieres having the brand name "Formaid", shall be, and the same hereby is, revoked in all respects.

2. The Formaid Co. must, within 15 days after the effective date of this order of revocation, send a copy of this order of revocation to all purchasers for resale to whom it has given notice of Special Order 530.

Effective date. This order of revocation shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12702; Filed, Oct. 18, 1951; 4:44 p. m.]

[Ceiling Price Regulation 7, Section 43, Revocation of Special Order 549]

A. ROSMARIN

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 549, issued to A. Rosmarin on August 21, 1951, effective August 22, 1951, established ceiling prices at retail for anti-tarnish paper tissues having the brand name "Silverbryte".

A. Rosmarin has applied for a revocation of this special order on the grounds that it is unable to comply with the special order. The Director has determined that sufficient reasons have been shown for revocation of the special order.

This order of revocation requires the applicant to send a copy thereof to all purchasers for resale who have received notice of the special order.

Revocation. 1. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, Special Order 549, issued to A. Rosmarin on August 21, 1951, effective August 22, 1951, establishing ceiling prices at retail for anti-tarnish paper tissues having the brand name "Silverbryte", shall be, and the same hereby is, revoked in all respects.

2. A. Rosmarin must, within 15 days after the effective date of this order of revocation, send a copy of this order of revocation to all purchasers for resale to whom it has given notice of Special Order 549.

Effective Date: This order of revocation shall become effective October 18, 1951.

MICHAEL V. DISALLE,
Director of Price Stabilization.

OCTOBER 18, 1951.

[F. R. Doc. 51-12703; Filed, Oct. 18, 1951; 4:44 p. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G–1625, G–1778]

MICHIGAN GAS UTILITIES CO. AND UNION GAS AND ELECTRIC CO.

NOTICES OF FINDINGS AND ORDERS ISSUING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

OCTOBER 18, 1951.

In the matters of Michigan Gas Utilities Company (formerly National Utilities Company of Michigan), Docket No. G–1625; Union Gas and Electric Company, Docket No. G–1778.

Notice is hereby given that, on October 16, 1951, the Federal Power Commission issued its orders, entered October 15, 1951, issuing certificates of public convenience and necessity, in the above-entitled matters.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12723; Filed, Oct. 23, 1951; 8:47 a. m.]

[Docket No. G–1797]

ARKANSAS LOUISIANA GAS CO.

NOTICE OF APPLICATION

OCTOBER 17, 1951.

Take notice that Arkansas Louisiana Gas Company (Applicant), a Delaware corportion having its principal place of business in the Slattery Building, Shreveport, Louisiana, filed on September 20, 1951, an application pursuant to section 7 (a) of the Natural Gas Act for an order directing Mississippi River Fuel Corporation to establish physical connection of its transportation facilities at or near the town of Humnoke, Lonoke County, Arkansas, with distribution facilities to be installed by Applicant in that town, and to sell natural gas to Applicant for distribution in the town of Humnoke.

Applicant states that the town of Humnoke, an incorporated town of approximately 300 persons, will require a maximum daily amount of natural gas, in the fifth year of operation, of 110 Mcf.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (1.8 or 1.10) on or before the 5th day of November 1951. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12719; Filed, Oct. 23, 1951; 8:40 a. m.]

[Docket No. G–1807]

DOME GAS CO., INC.

NOTICE OF APPLICATION

OCTOBER 17, 1951.

Take notice that Dome Gas Company, Inc. (Applicant), an Indiana corporation, having its principal place of business at Sullivan, Sullivan County, Indiana, filed on October 5, 1951, an application pursuant to section 7 (a) of the Natural Gas Act for an order directing Texas Gas Transmission Corporation to establish a physical connection approximately six miles east of Sullivan, Indiana with a proposed line of Applicant, and to sell and deliver to Applicant a supply of natural gas in the maximum daily amount of at least 225,000 cubic feet.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 5th day of November 1951. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12727; Filed, Oct. 23, 1951; 8:48 a. m.]

[Docket No. G–1809]

GAS LATERAL CO.

NOTICE OF APPLICATION

OCTOBER 17, 1951.

Take notice that Gas Lateral Company (Applicant), an Illinois corporation, having its principal place of business at 134 East Main Street, Decatur, Illinois, filed on October 10, 1951, an application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act authorizing the construction and operation of an 8-inch gas pipeline, approximately 6.8 miles in length, extending from a point of connection with the natural-gas pipeline of Texas Illinois Natural Gas Pipeline Company (Texas Illinois) near Hoffman, Illinois, to a point of connection with the facilities of Illinois Power Company (Illinois Power) at Fourteenth Street and Walnut Avenue in Centralia, Illinois, together with a regulator station and certain related facilities, all of the aforementioned facilities being more fully described in said application.

By means of the proposed facilities, Applicant proposes to Transport natural gas from the pipeline of Texas Illinois to the facilities of Illinois Power for ultimate distribution by the latter in the City of Centralia, and the communities of Mount Vernon, Sandoval, Shattuc, and Junction City, all in the State of Illinois. Applicant states that it does not propose to sell natural gas to or interchange natural gas with any other natural-gas company and will not render service except as stated.

Applicant estimates the total over-all capital cost of constructing the proposed natural-gas pipeline and related facilities will be approximately $213,000.00.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 5th day of November 1951. The application is on file with the Commission for public inspection.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12720; Filed, Oct. 23, 1951; 8:46 a. m.]

[Project No. 2089]

BORDER COUNTIES POWER COOPERATIVE, INC.

NOTICE OF APPLICATION

OCTOBER 17, 1951.

Public notice is hereby given that Border Counties Power Cooperative, Incorporated, of Warroad, Minnesota, has filed application under the Federal Power Act (16 U. S. C. 791a–825r) for license for constructed major Project No. 2089 located on Big Fork River in Koochiching County, Minnesota near the village of Big Falls. The project consists of a canal about 1500 feet long equipped with an overflow spillway; a power house containing two generating units with capacities of 200 kilowatts and 400 kilowatts, respectively; a tailrace about 800 feet long; a transmission line; and appurtenant facilities.

Any protest against approval of this application or request for hearing thereon, with reasons for such protest or request, and the address of the party or parties so protesting or requesting should be submitted on or before the 30th day of November 1951, to the Federal Power Commission, Washington 25, D. C.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12726; Filed, Oct. 23, 1951; 8:47 a. m.]

[Docket No. E–6376]

EL PASO ELECTRIC CO.

NOTICE OF ORDER AUTHORIZING ISSUANCE OF COMMON STOCK

OCTOBER 18, 1951.

Notice is hereby given that, on October 16, 1951, the Federal Power Commission issued its order, entered October 15, 1951, authorizing issuance of common stock, in the above-entitled matter.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51–12721; Filed, Oct. 23, 1951; 8:46 a. m.]

[Docket No. E–6377]

EL PASO ELECTRIC CO.

NOTICE OF ORDER AUTHORIZING ISSUANCE OF SHORT-TERM PROMISSORY NOTES

OCTOBER 18, 1951.

Notice is hereby given that, on October 16, 1951, the Federal Power Commission issued its order, entered October 15, 1951, authorizing issuance of short-term

promissory notes, in the above-entitled matter.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51-12722; Filed, Oct. 23, 1951; 8:46 a. m.]

[Docket No. ID-918]

A. H. SCHETTLER

NOTICE OF ORDER AUTHORIZING APPLICANT TO HOLD CERTAIN POSITIONS

OCTOBER 18, 1951.

Notice is hereby given that, on October 16, 1951, the Federal Power Commission issued its order, entered October 15, 1951, authorizing applicant to hold certain positions, pursuant to section 305 (b) of the Federal Power Act, in the above-entitled matter.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51-12724; Filed, Oct. 23, 1951; 8:47 a. m.]

[Docket Nos. ID-919, ID-963, ID-1017, ID-1155]

R. E. MOODY ET AL.

NOTICES OF ORDERS

OCTOBER 18, 1951.

In the matters of R. E. Moody, Docket No. ID-919; J. Wesley McAfee, Docket No. ID-963; E. J. Shapiro, Docket No. ID-1017; R. D. White, Docket No. ID-1155.

Notice is hereby given that, on October 17, 1951, the Federal Power Commission issued its orders, entered October 15, 1951, authorizing applicants to hold certain positions, pursuant to section 305 (b) of the Federal Power Act, in the above-entitled matters.

[SEAL] J. H. GUTRIDE,
Acting Secretary.

[F. R. Doc. 51-12725; Filed, Oct. 23, 1951; 8:47 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2671]

NEW ENGLAND GAS AND ELECTRIC ASSN. ET AL.

SUPPLEMENTAL ORDER CONCERNING RESULTS OF COMPETITIVE BIDDING ON COLLATERAL TRUST BONDS

OCTOBER 18, 1951.

In the matter of New England Gas and Electric Association, Cambridge Electric Light Company, Cambridge Gas Light Company, Cape & Vineyard Electric Company, Dedham and Hyde Park Gas Company, Plymouth County Electric Company, Worcester Gas Light Company; File No. 70-2671.

New England Gas and Electric Association ("NEGEA"), a registered holding company, and six of its subsidiaries specified hereinabove having filed an application-declaration and amendments thereto, pursuant to sections 6, 7, 9, 10 and 12 (f) of the Public Utility Holding Company Act of 1935 ("act") and Rules U-42, U-43 and U-50 promulgated thereunder, with respect, among other things, to the issuance and sale pursuant to the competitive bidding requirements of Rule U-50 of $6,115,000 principal amount of its 20-year Sinking Fund Collateral Trust __ percent Bonds, Series C, due 1971; and

The applicants-declarants having filed a further amendment to said application-declaration setting forth that NEGEA had invited competitive bids for the bonds, and that in response to such invitation the following bids for the bonds have been received:

Group headed by—	Annual interest rate (percent)	Price to company[2] (percent of principal)	Annual cost to company (percent)
Blyth & Co., Inc.[1]	4	100.130	3.9905
Estabrook & Co. / Whiting, Weeks & Stubbs	4¼	100.049	4.12138
White, Weld & Co. / Kidder, Peabody & Co.	4¼	100.350	4.3978
Halsey, Stuart & Co., Inc.	4¼	100.300	4.47714

[1] Sole member of group.
[2] Exclusive of accrued interest from Sept. 1, 1951.

Said amendment further setting forth that NEGEA has accepted the bid of Blyth & Co., Inc., as set forth above, and that said bonds are to be offered for sale to the public at a price of 101 percent of the principal amount thereof plus accrued interest, resulting in an underwriting spread of 0.87 percent of the principal amount of said bonds:

It is ordered, Subject to the terms and conditions prescribed in Rule U-24, that said application-declaration, as amended, be, and it hereby is, granted and permitted to become effective forthwith.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 51-12728; Filed, Oct. 23, 1951; 8:48 a. m.]

[File No. 70-2713]

WEST TEXAS UTILITIES CO.

ORDER AUTHORIZING ISSUANCE AND SALE OF BONDS SUBJECT TO COMPETITIVE BIDDING

OCTOBER 18, 1951.

West Texas Utilities Company ("West Texas"), a public-utility subsidiary of Central and South West Corporation, a registered holding company, having filed a declaration, and amendments thereto, pursuant to sections 6 and 7 of the Public Utility Holding Company Act of 1935 ("Act") and Rule U-50 promulgated thereunder, with respect to the following transactions:

West Texas proposes to issue and sell, at competitive bidding pursuant to Rule U-50, $8,000,000 principal amount of its First Mortgage Bonds, Series C, _____ percent, to be dated November 1, 1951, to mature November 1, 1981, and to be issued under and secured by an Indenture of Mortgage dated August 1, 1943, between the company and Harris Trust and Savings Bank and Harold Eckhart, as Trustees, as amended by the Supplemental Indenture dated March 1, 1948, and by a proposed Supplemental Indenture to be dated November 1, 1951, and to be executed by the company to said Trustees.

The net proceeds (exclusive of accrued interest) to be received by the company from the sale of the $8,000,000 of Series C Bonds proposed to be issued will be used to retire $1,200,000 principal amount of outstanding short-term notes payable to banks representing temporary borrowings for construction purposes and to pay a part of the company's construction program.

The company has requested that the ten day publication period for inviting bids for the securities to be issued, specified in Rule U-50, be shortened to a period of not less than six days. It is stated that prospective groups of bidders for the Bonds to be issued will be kept adequately informed with respect to the proposed issue of the Bonds and the date or dates thereof through the usual channels of such information.

Due notice having been given of the filing of the declaration, and a hearing not having been requested of or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said declaration, as amended, be permitted to become effective, subject to a reservation of jurisdiction with respect to the results of competitive bidding and also with respect to fees and expenses, as hereinafter provided, and further deeming it appropriate to grant the request of declarant that the bidding period be shortened to six days and that the Commission's order herein become effective forthwith:

It is ordered, Pursuant to said Rule U-23 and the applicable provisions of the act that said declaration, as amended, including the request that the bidding period be shortened to six days, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24, and to the following additional terms and conditions:

(1) That the proposed issuance and sale of bonds by West Texas shall not be consummated until the results of competitive bidding, held with respect thereto, shall have been made a matter of record in this proceeding and a further order, or orders, shall have been entered by this Commission in the light of the record so completed, which order, or orders, may contain such further terms and conditions, if any, as may then be deemed appropriate, for which purpose jurisdiction is reserved;

(2) That jurisdiction be reserved as to any and all fees and expenses incurred or to be incurred in connection with the

consummation of the proposed transactions.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 51-12729; Filed, Oct. 23, 1951; 8:48 a. m.]

INTERSTATE COMMERCE COMMISSION

CLASS I MOTOR CARRIERS OF PROPERTY

ANNUAL REPORTS

OCTOBER 12, 1951.

The Commission's order of August 17, 1951, exempted certain motor carriers of property from further compliance with the provisions of Instruction 27 in the system of accounts, effective October 1, 1951. As a result of the order the following inquiries have been received with respect to its effect on the annual report for 1951:

(1) Will carriers which have been exempted by the order be required to reflect separately in their reports the amounts included during the first nine months of the year in the subdivisions of the accounts specified in Instruction 27?

(2) Will exempted carriers be required to set out in the reports the statistical information called for on lines 51 to 66, inclusive, of schedule 9003?

As the segregation of expenses for a partial year and the statistical information referred to above would serve no useful purpose, they may be omitted from the 1951 annual reports of carriers exempted by the order.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-12740; Filed, Oct. 23, 1951; 8:49 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 18562]

JOSEPH KREMER ET AL.

In re: Securities owned by Joseph Kremer, Wilhelm Kremer and Martin Kremer. F-28-13796-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Joseph Kremer, Wilhelm Kremer and Martin Kremer, each of whose last known address is Leverkusen-Schlebusch, Franz Schubertstrasse 6, Nordhein-Westfalen, Germany, are residents of Germany, and nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. All rights and interest in and under one (1) Certificate of Beneficial Interest, numbered 36, dated December 21, 1937, for one unit in Ford Sales & Service Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2451, issued in the name of Joseph Kremer, including in particular any and all rights to liquidating payments thereunder,

b. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 31, dated March 3, 1937, for five units in Bennett Court Apartments Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2364, issued in the name of Joseph Kremer, including in particular any and all rights to liquidating payments thereunder,

c. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 82, dated April 26, 1937, for ten units in Glen Eden Hotel Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2404, issued in the name of Joseph Kremer, including in particular any and all rights to liquidating payments thereunder,

d. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 84, dated April 26, 1937, for ten units in Glen Eden Hotel Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2404, issued in the name of Wilhelm Kremer, including in particular any and all rights to liquidating payments thereunder,

e. All rights and interest in, to and under One (1) Certificate of Beneficial Interest, numbered 85, dated November 3, 1937, for two units in Park Beach Hotel Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2442, issued in the names of Joseph, Martin and Wilhelm Kremer, including in particular any and all rights to liquidating payments thereunder, and

f. One (1) share of no par value common stock of Anderson Hotel Company, 1369 E. Hyde Park Blvd., Chicago 15, Illinois, evidenced by certificate numbered 349, registered in the names of Joseph, Martin and Wilhelm Kremer, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Joseph Kremer, Wilhelm Kremer and Martin Kremer, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 17, 1951.

For the Attorney General.

[SEAL] PAUL V. MYRON,
Deputy Director,
Office of Alien Property.

[F. R. Doc. 51-12748; Filed, Oct. 22, 1951; 9:45 a. m.]

[Vesting Order 18563]

WILLIAM OETINGER

In re: Estate of William Oetinger, deceased. File No. 017-27096.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Erwin Oetinger and Ernst Oetinger, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees and distributees, names unknown, of Hugo Oetinger, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the estate of William Oetinger, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Dr. Tyler Gibson Cooke and Richard E. Schmetzer, as executors, acting under the judicial supervision of the Surrogate's Court, County of Kings, New York;

and it is hereby determined:

5. That to the extent that the persons named in subparagraph 1 hereof and the domiciliary personal representatives, heirs-at-law, next-of-kin, legatees and distributees, names unknown, of Hugo Oetinger, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall

have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12749; Filed, Oct. 22, 1951; 9:46 a. m.]

[Vesting Order 18564]

JOHANN ERNST OTTO THEUERKAUF ET AL.

In re: Rights of Johann Ernst Otto Theuerkauf et al. under Insurance Contracts. Files Nos. F-28-26713-H-1 and H-2.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Johann Ernst Otto Theuerkauf is a citizen of Germany who, since the effective date of Executive Order 8389, as amended, has acted or purported to act directly or indirectly for the benefit or on behalf of or under the direction of Germany and is a national of a designated enemy country (Germany);

2. That Gustave Lindberg Theuerkauf, whose last known address is Germany, is a resident of Germany who, since the effective date of Executive Order 8389, as amended, has acted or purported to act directly or indirectly for the benefit of or under the direction of an enemy country (Germany), and is a national of a designated enemy country (Germany);

3. That the net proceeds due or to become due under contracts of insurance evidenced by Policies numbered 205308 and 203975 issued by the West Coast Life Insurance Company, San Francisco, California, to Johann Ernst Otto Theuerkauf, and any and all other benefits and rights of any kind or character whatsoever under or arising out of said contracts of insurance except those of the aforesaid West Coast Life Insurance Company, together with the right to demand, enforce, receive and collect the same is property within the United States owned or controlled by, payable or deliverable to, held on behalf of, or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That Johann Ernst Otto Theuerkauf and Gustave Lindberg Theuerkauf are controlled by or acting for or on behalf of a designated enemy country (Germany) or persons within such country and are nationals of a designated enemy country (Germany);

5. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12750; Filed, Oct. 22, 1951; 9:46 a. m.]

[Vesting Order 18565]

DRENDEL & ZWEILING

In re: Debt owing to Drendel & Zweiling, F-28-8582-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Drendel & Zweiling the last known address of which is 4 Parkstrasse, Teltow, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Drendel & Zweiling, Teltow, Germany by E. Paul Oberley, 38-02 69th Street, Woodside, Long Island, New York, together with any and all accruals to the aforesaid debt or other obligation, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12751; Filed, Oct. 22, 1951; 9:46 a. m.]

[Vesting Order 18566]

RUDOLPH FALCK AND BARONESS IONE LOEFFELHOLZ VON COLBERG

In re: Debts owing to Rudolph Falck, also known as Rudolf Falck and as Rud. Falck and Baroness Ione Loeffelholz von Colberg. F-28-9664-D-1; F-28-31685-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Rudolph Falck, also known as Rudolf Falck and as Rud. Falck and Baroness Ione Loeffelholz von Colberg, each of whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. That certain debt or other obligation owing to Rudolph Falck, also known as Rudolpf Falck and as Rud. Falck, by United States Steel Corporation, 71 Broadway, New York 6, New York, arising out of dividends on stock of the aforesaid corporation, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same, and

b. That certain debt or other obligation owing to Baroness Ione Loeffelholz von Colberg, by United States Steel Corporation, 71 Broadway, New York 6, New York, arising out of dividends on stock of the aforesaid corporation, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate

consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12752; Filed, Oct. 22, 1951; 9:46 a. m.]

[Vesting Order 18567]

E. G. MULLER

In re: Bonds and a bank account owned by the personal representatives, heirs, next of kin, legatees and distributees of E. G. Muller, also known as Gustav Mueller, deceased. F-28-7017-A-1; E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the personal representatives, heirs, next of kin, legatees and distributees of E. G. Muller, also known as Gustav Mueller, deceased, who there is reasonable cause to believe are residents of Germany are nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. Those certain bonds described in Exhibit A, set forth below and by reference made a part hereof, presently in the custody of Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago 90, Illinois, together with any and all rights thereunder and thereto, and

b. That certain debt or other obligation of Continental Illinois National Bank and Trust Company of Chicago, 231 South La Salle Street, Chicago 90, Illinois, arising out of a Savings Account, account number 170653, entitled E. G. Muller, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the personal representatives, heirs, next of kin, legatees and distributees of E. G. Muller, also known as Gustav Mueller, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the personal representatives, heirs, next of kin, legatees and distributees of E. G. Muller, also known as Gustav Mueller, deceased, referred to in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

EXHIBIT A

Description of issue	Bond No.	Face value
City of Berlin, Germany, 30-year S/F/G/B 6 percent, due June 15, 1958.	11144	$1,000.00
	11145	1,000.00
	3991	1,000.00
	8777	1,000.00
German external loan of 1924, G/B 7 percent due October 15, 1949.	C006606	1,000.00
	C013624	1,000.00
	C016742	1,000.00
	C023941	1,000.00
	C24153	1,000.00
	C033359	1,000.00
	C046227	1,000.00
	C064641	1,000.00
	C047104	1,000.00
	C075674	1,000.00
	C087938	1,000.00
State of Hamburg, Germany (Free and Hanseatic City of Hamburg) 20-year G/B 6, percent due October 1, 1946.	M7509	1,000.00
	M7510	1,000.00
	M6028	1,000.00
	M1078	1,000.00
	M1079	1,000.00
	M1367	1,000.00
Province of Hanover (State of Prussia, Republic of Germany) Harz Water Works loan second series G/B, 6½ percent due February 1, 1949.	M3263	1,000.00
	M3264	1,000.00
	M1089	1,000.00

[F. R. Doc. 51-12753; Filed, Oct. 22, 1951; 9:46 a. m.]

[Vesting Order 18568]

CLAIRE RAPP

In re: Debt owing to Claire Rapp, also known as Clara Rapp and as Klara Rapp. F-28-5782.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Claire Rapp, also known as Clara Rapp and as Klara Rapp, who on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, has been a resident of Germany, is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of the Railroad Federal Savings & Loan Association, 441 Lexington Avenue, New York 17, New York, arising out of a savings account, Account numbered 80798, entitled Clara Rapp or Emil Rapp, maintained with the aforesaid Association, together with all accruals to the aforesaid debt or other obligation and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person referred to in subparagraph 1 hereof, is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany);

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12754; Filed, Oct. 22, 1951; 9:47 a. m.]

[Vesting Order 18569]

EMELIE AUGUSTA RUETHING AND ALFRED LEO RUETHING

In re: Stocks owned by Emelie Augusta Ruething and Alfred Leo Ruething. F-28-31692-D-1; F-28-31693-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Emelie Augusta Ruething and Alfred Leo Ruething, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the property described as follows:

a. Eight (8) shares of $25.00 par value 6% first preferred capital stock of Pacific Gas and Electric Company, 245 Market Street, San Francisco 6, California, a corporation organized under

the laws of the State of California, evidenced by a certificate numbered F-184388 for six (6) shares registered in the name of Emelie Augusta Ruething, and a certificate numbered F-184389 for two (2) shares registered in the name of Alfred Leo Ruething, together with all declared and unpaid dividends thereon, and

b. Fourteen (14) shares of $25.00 par value common capital stock of Pacific Gas and Electric Company, 245 Market Street, San Francisco 6, California, a corporation organized under the laws of the State of California, evidenced by a certificate numbered F-686303 for nine (9) shares registered in the name of Emelie Augusta Ruething, and a certificate numbered F-685219 for five (5) shares registered in the name of Alfred Leo Ruething, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12755; Filed, Oct. 22, 1951; 9:47 a. m.]

[Vesting Order 18570]

MATHILDE SIMONS

In re: Certificates of Beneficial Interest owned by Mathilde Simmons. F-28-14209-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mathilde Simons, whose last known address is % Stadtsparkasse, Neumuenster I, Holstein, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 341, dated September 24, 1937, for one unit in 5400 Harper Avenue Apartments Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2324, including in particular any and all rights to liquidating payments thereunder,

b. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 254, dated September 24, 1937, for 127 units in Gothic Apartments Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2264, including in particular any and all rights to liquidating payments thereunder,

c. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 107, dated September 24, 1937, for one unit in 721-5 Belmont Avenue Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2208, including in particular any and all rights to liquidating payments thereunder, and

d. All rights and interest in and under One (1) Certificate of Beneficial Interest, numbered 98, dated September 24, 1937, for 200 units in 4830 West Chicago Avenue Liquidation Trust known as Chicago City Bank and Trust Company Trust No. 2221, including in particular any and all rights to liquidating payments thereunder,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest.

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12756; Filed, Oct. 22, 1951; 9:47 a. m.]

[Vesting Order 18571]

WALTER STICHL

In re: Stock owned by Walter Stichl. F-28-31627.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Walter Stichl, whose last known address is Bad Harzburg, Herzog Wilhelmstr. 41, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: One hundred (100) shares of $100 par value common capital stock of Metals Coating Company of America evidenced by a certificate numbered 98 registered in the name of H. W. Stoeve, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Walter Stichl, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12757; Filed, Oct. 22, 1951; 9:47 a. m.]

ALBERT AURIOL AND ANDRE AURIOL

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for

past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimants, Claim No., and Property

Albert Auriol and Andre Auriol, Brussels, Belgium; Claim No. 37315; property described in Vesting Order No. 675 (8 F. R. 5029, April 17, 1943) relating to United States Letters Patent No. 2,168,597, an undivided one-half thereof to each claimant.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12760; Filed, Oct. 22, 1951; 9:48 a. m.]

IRENE LAGACHE AND GABRIELLE POULDJIAN

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimants, Claim No., and Property

Irene Lagache (born Leloup), Paris, France; and Gabrielle Pouldjian (born Craponne), Neuilly, France; Claim No. 40467; an undivided one-fourth interest in and to property described in Vesting Order No. 666 (8 F. R. 5047, April 17, 1943) relating to United States Letters Patent No. 2,068,820 to each Irene Lagache and Gabrielle Pouldjian.

Executed at Washington, D. C., on October 17, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12761; Filed, Oct. 22, 1951; 9:48 a. m.]

RAOUL ROLAND RAYMOND SARAZIN

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Raoul Roland Raymond Sarazin, Saint-Prix, France; Claim No. 40474; Property described in Vesting Order No. 666 (8 F. R. 5047, April 14, 1943) relating to United States Letters Patent No. 2,191,862. An undivided one-half interest in and to property described in Vesting Order No. 666 relating to United States Letters Patent No. 2,068,820.

Executed at Washington, D. C., on October 17, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12762; Filed, Oct. 22, 1951; 9:48 a. m.]

[Vesting Order 18572]

ANNA WIEBELHAUS

In re: Certificate of Beneficial Interest owned by and debt owing to Anna Wiebelhaus. F-28-14309-C-1/D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Wiebelhaus, whose last known address is Elspe, Sauerland, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. All rights and interest in and under one (1) Certificate of Beneficial Interest, numbered 37, dated June 22, 1938, for 10 units in California & Ogden Liquidation Trust known as Chicago City Bank & Trust Company No. 2537, including in particular any and all rights to liquidating payments thereunder, and

b. That certain debt or other obligation evidenced by a cashier's check in the amount of $17.15, dated April 4, 1950, and numbered A 2964 drawn by and on the Chicago City Bank & Trust Company, 815 West 63d Street, Chicago, Illinois, to the order of Anna Wiebelhaus, said cashier's check representing final liquidating payment against a Certificate of Beneficial Interest numbered 742 for 20 units in Park Shore Properties Liquidation Trust No. 2050 and being presently in the custody of the aforesaid bank, together with any and all rights in, to and under, including particularly the right to possession and presentation for collection and payment of the aforesaid check,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12758; Filed, Oct. 22, 1951; 9:48 a. m.]

[Vesting Order 18197, Amdt.]

WILHELMINA MOSER

In re: Stock owned by and debt owing to Wilhelmina Moser. F-28-31523.

Vesting Order 18197, dated July 16, 1951, is hereby amended as follows and not otherwise:

1. By deleting from the aforesaid Vesting Order 18197, subparagraph 2 and by substituting therefor the following:

2. That the property described as follows:

a. One hundred thirty-two (132) shares of $100.00 par value common capital stock of Cullman Wheel Co., 1344-1354 Altgeld Street, Chicago 14, Illinois, evidenced by certificates numbered 39 for one hundred twenty (120) shares and 52 for twelve (12) shares, registered in the name of and presently in the custody of Otto Cullman, as Trustee, 1344-1354 Altgeld Street, Chicago 14, Illinois, together with all declared and unpaid dividends thereon, and

b. That certain debt or other obligation owing to Wilhelmina Moser by Otto Cullman, arising out of dividends paid to said Otto Cullman on the stock described in subparagraph 2-a hereof, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Wilhelmina Moser, the aforesaid national of a designated enemy country (Germany);

All other provisions of said Vesting Order 18197 and all actions taken by or on behalf of the Attorney General of the United States in reliance thereon, pursuant thereto and under the authority thereof are hereby ratified and confirmed.

Executed at Washington, D. C., on October 18, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-12759; Filed, Oct. 22, 1951; 9:48 a. m.]